



GAT0028

RESERVES POLICY

POLICIES AND PROCEDURES PROFORMA

Subject and Version of Document:	Reserves Policy
Author:	Finance Officer
Persons/Committees etc consulted whilst document in draft:	Governors/Directors
Date agreed:	08/10/2019
Date of next review/update and by whom:	Oct 2020 Finance Officer/Directors
By whom agreed:	Governors/Directors
Copy obtainable from and/or distribution:	PA to Head Teacher
Date document issued:	08/10/2019
Responsibility for dissemination to new staff:	Line Manager
Principal Target Audience:	All staff

Amendments Summary:

Amend. No.	Issued	Page	Subject

- 1.0 The Gryphon Trust comprises of The Arnewood School, a state maintained secondary school with Academy status, and The Eaglewood School, a state maintained alternative provision Free School. Both schools are dependent on government funding to sustain their activities.
- 1.1 Any changes to government funding could have an adverse effect on the day to day operations of the school and therefore the governing body has agreed to endeavour to maintain reserves at a level which ensures that the core activity of education could continue during any periods
- 1.2 The Local Government Pension Scheme is currently recognising a significant deficit which should be included within restricted funds, potentially resulting in an overall deficit. However this does not mean that an immediate liability for this amount would materialise, similarly a pension surplus does not create an immediately realisable asset for the specific purpose of that fund. A surplus or deficit position in respect of the pension scheme would be negated over time in the form of an increase or decrease in employers' pension contributions over a period of years. Following a review of the pension fund by the actuary at 31st March 2016, in the Trust's forward budgeting, an element of increase in employer's contributions should be included towards recoupment of the pension deficit.
- 1.3 The main concerns of the governing body are to ensure:
- that the high quality of education for young people is not compromised
 - that staff can continue working, to provide education
 - that the school is marketed to a high standard to encourage recruitment from surrounding primary schools.
- 1.4 The reserves should be built up from the unrestricted income.
- 1.5 The level of reserves should be calculated and monitored annually by the Finance Committee.
- 1.6 This policy should be reviewed annually and whenever there are significant changes in pupil numbers.