



PolyMAT

Reserves Policy

Reviewed: October 2023
Approved: December 2024
Revision Due: December 2024

Reserves Level

Trustees have determined that the target level of reserves, not invested in tangible fixed assets or designated for specific projects, should be between 3%-5% of total receivable General Annual Grant. These general reserves are held to ensure the long-term financial integrity of the Trust and support the Trust as a going concern.

In addition, the Trust will hold a number of restricted balances above this level. These will be designated for specific purposes in line with the Trust's priorities and its plans to enhance and maintain the Trust's estate.

All reserves will be held at Trust level.

Access to Reserves above the General Reserve level

Reserves above the general reserve level will be allocated to individual schools in accordance with:

- School Asset Management Plans. In the first instance the Trust will fund the "highest priority" works where the expenditure cannot be met from planned maintenance budgets. The "Highest priority" rating will be given to urgent works that have a significant impact on safeguarding or health and safety.

- Project Business Cases. The Business case must demonstrate how one-off investment in a specified project delivers improved outcomes and links with the School Development Plan and the Trust's strategic objectives. If relevant, any on-going costs associated with the project must be built into the schools' long term budget plans and thereby prove sustainable.

Reserves will never be designated to fund an in-year budget deficit. The Trust will support every school in its budget setting process and will assist where necessary in identifying efficiency measures to enable a balanced budget to be set. School-level budgets must be approved by the CEO, COO and CFO before being included in the Trust Budget and being approved by Trustees.

The policy will be reviewed on an annual basis.