



NEWBURY ACADEMY TRUST

Reserves Policy

DATE APPROVED: November 2016

DATE FOR REVIEW: November 2017

A handwritten signature in black ink, appearing to read "S. H. Way".

SIGNED:
On behalf of the Board of Directors

Newbury Academy Trust Reserves Policy

Charities are required to establish a reserves policy in order to protect their operations. However, regardless of the regulatory requirement, establishing reserves that protect the operation of the Trust and contribute to its smooth running is good practice and forms part of its overall financial control and governance framework.

The Directors of Newbury Academy Trust review the reserves levels annually. This review encompasses the nature of income and expenditure streams, the need to match the income with commitments and the nature of reserves.

The Directors have determined that the appropriate level of reserves should be equivalent to two months payroll cost, which is approximately £886, 516. The Trust will monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the Trust will strive to rebuild reserves up to the level required.