

 Kingsmead	POLICY TITLE:	Reserves Policy
Kingsmead Academy T/A Kingsmead School		
Committee/Person Responsible for Policy:	Finance & Strategy Sub-committee/ Business Manager	
Date Approved by Governing Body:		
Date of Last Review:	Autumn 2014	
Next Review Due:	Autumn 2015	
Associated Policies:	Investment Policy	

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Governors have determined that the appropriate level of free cash reserves should be at least £200,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance [alternative reasons might be relevant e.g. fall in pupil numbers resulting in losing a classroom but not wanting to lose a teacher, a rise in pupil numbers meaning not enough funding to teach the pupils etc]. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £474,872 of which £200,000 is free reserves.