Reserves Policy

For all schools in the Bosco Catholic Education Trust

This Policy has been approved and adopted by the Bosco Catholic Education Trust.

Reviewed	Next Review Due
December 2025	December 2026

Mission Statement

The Bosco Catholic Education Trust ("Bosco CET") is a Christ-centred family of Catholic academies, within the Diocese of Arundel and Brighton, working together as one body to provide an outstanding education for all. As Catholic schools, we endeavour to develop confident, compassionate and faithful young people. Through partnership, collaboration and mutual support we seek to enable all those entrusted to our care to become the person God called them to be.

"Serve the Lord joyfully"

Reserves Balance

Bosco CET's reserves policy is for each academy, and the central trust, to keep a general fund reserve balance of between 4% and 8.5% of operating expenditure. This is equivalent to between two weeks and a month's expenditure which, given the government-backed nature of the Trust's income, is considered sufficient to manage any unexpected fluctuations in income or expenditure. Where an academy has a reserve of more, or less, than this range then it is expected to have plans in place to come back within the range within a two-year period.

Management of Capital

The Trust manages its capital reserves using the concept of "free capital" that is capital that is not needed to fund the use of fixed assets. Schools are expected to have plans in place to reduce their level of free capital to zero over the next two to three years.

Strategy

As set out in the Academy Trust Handbook 2024, this policy forms a part of the regular review of financial plans and policies to ensure it remains fit for purpose, especially if the trust is planning for or experiences a significant change in circumstances.

Access to Funds

The Trust does not pool reserves and therefore schools can access their reserves as they need to.

As set out in the Finance and Investment Policy, schools need to get board approval for their budget and any variation of greater than £50,000 on their budget. This allows the Trust to manage the overall reserves of the group.

Policy Review

This policy will be reviewed annually on completion of, and in alignment with, the Trust's Annual Report.