

# Reserves and Investments Policy



**Review Date**

May 2023

**Ratified**

15 June 2023

**Next Review**

May 2025

**Responsible Person**

Accounting Officer

# Our Vision



## Transforming Lives of our learners

We seek to ensure that all our learners receive a high-quality education from expert staff and aspire to achieve the best they possibly can, no matter their background or ability. Our learners have safe, supportive learning environments in which they develop, grow, and challenge themselves. We are determined that our learners will receive the very best enrichment and opportunities to help them reach their full potential and ensure they are prepared for the future, wherever it might take them.



## Transforming Lives of our colleagues

Our colleagues are supported with the very best professional development through our innovative ATT institute, allowing them to stay focused on learning and developing as practitioners whilst they progress in their careers. We share the very best practice across our community of academies to help build systems and processes that really work.



## Transforming Lives in the communities we serve

We are committed to actively engaging with and addressing inequality in our local areas. We understand that every one of our academies and their diverse communities are different, so we aim to build a supportive, collaborative, and nurturing relationship with each whilst sharing our key values across our Trust.

**Commitment  
to Education**

**Transparency  
and Integrity**

**Innovation and  
Improvement**

**Dedication to  
Inclusivity**

# Our Values

## Commitment to Education

Our core purpose is to positively impact the lives of all our learners. Education will always be at the heart of everything we do.

## Transparency and Integrity

We are proud of our success whilst being open and honest about our areas for improvement. Our actions are always ethical and in the best interests of all our stakeholders.

## Innovation and Improvement

We are committed to innovative education- always moving forward and never standing still. Our learners are ambitious and prepared for a future that is constantly changing and developing.

## Dedication to Inclusivity

Our learners are all different and all important to us. We aspire to support, challenge, and help each one of them reach their full potential, regardless of their background or level of ability.

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# 1 | Scope and Purpose of this Policy

- 1.1 This policy provides a framework for future strategic planning and decision-making, and restricts the impact of any risk upon the continuing operations of ATT.
- 1.2 The Trust's Reserves Policy protects its activities in three ways:
- by providing a financial buffer against an unpredictable environment
  - by making sufficient provision for future cash flow requirements
  - by making sufficient provision for capital procurement
- 1.3 The cumulative target range for revenue reserves has been established by the Trust Board at between 4% and 7% of our General Annual Grant for each financial year, excluding the impact of the Pension Deficit/Surplus. The Board holds that Reserves below 4% are insufficient to protect the Trust from unforeseen financial shocks, and that Reserves up to 7% are sufficient to build capacity for any capital investment in our estate or facilities.
- 1.4 The level of reserves held, and any planned spending of reserves will be reviewed annually in the light of the internal and external operating environment, and will have due regard for the nature of activities under taken by ATT for its beneficiaries.

# 2 | Types of Reserves

- 2.1 *Restricted Reserves* are restricted income funds, grants or donations that are spent or held as defined by the ESFA or (if applicable) the donor. Alternatively, they may be endowment funds, where the funds or assets are required to be invested or retained for actual use, rather than spent.
- 2.2 *Unrestricted Reserves* are derived from income funds, grants or donations that can be spent at the discretion of the Directors in furtherance of any of ATT's objectives as defined in our *Articles of Association*.
- 2.3 The presence of a pension surplus or deficit will generally result in a cash flow effect for ATT in the form of an increase or decrease in employers' pension contributions over a period of years.

We are confident that it can meet the required pension contributions from projected future income without significantly impacting upon our planned level of activities. We continue to calculate our reserves without setting aside a designated *Pension Reserve* to cover the pension liability.

## 3 | Investments

3.1 Where reserves are being held, it may be beneficial to invest funds to accrue interest and improve our financial health for the furtherance of our aims.

3.2 When making investment decisions the Board will have due regard to the following:

- acting only within its powers as defined in our *Articles of Association*
- considering the accessibility of funds, and the necessity to avoid compromising our cash position
- exercising care and skill in investment decisions and taking professional advice as appropriate
- ensuring that security of funds takes precedence over potential returns
- ensuring that any investments are in the Trust's best interests and are aligned to our core values
- reviewing any investments at least annually, to manage and track our financial exposure, and to ensure value for money.