



Registered Charity 1171812

Reserves Policy

Summary	
Policy Reference Number	080
Category	Finance
Authorised by	Finance Committee
Responsibility of	Chief Executive
Status	Updated September 2025
Next Review Date	September 2026

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1. Aims

Reserves are part of a charity's unrestricted funds that are available to spend on any of the charity's purposes. This definition excludes restricted income funds and endowment funds.

The Trustees of Connie Rothman Learning Trust are responsible to the key stakeholders for ensuring the stability of the Trust's operations, to protect it so that it has the ability to adjust quickly to changing financial circumstances.

2. Legislation, statutory requirements, and statutory guidance

Trustees are also responsible for ensuring that the finances are managed in accordance with the Trust's constitution.

The Trust needs reserves to:-

- Meet redundancy liabilities should the Trust have to close;
- Meet the equivalent of one term's operational costs which will include salaries, pensions and external services costs.

As a registered charity run independent special school, CRLT and Connie Rothman School do not receive any help from the DfE or other government agencies for the purchase, lease or upkeep of a building. Therefore, the Board of Trustees have authorised all surplus funds to be put aside for the purchase and renovation of a building(s) when suitable facilities have been found.

The goal is to complete the purchase and renovation of a new building within five years.

Surplus funds are those funds not required for the operation of CRLT programmes, most notably Connie Rothman School and Approach Tutoring and Mentoring, including resources required for the benefit of students and those funds, according to the Reserves Policy, required for three months of the operations budget.

The total reserves at the balance sheet date were £1,036,313. In the opinion of the Trustees £330,000 would be needed in the event of the charity ceasing activities.

The Management Committee will monitor the actual level of reserves and compare with the target level annually following the preparation of annual accounts. The Trust has no restricted funds.

In the event of reserves falling significantly below the target level, we aim to restore the reserves as soon as possible by increasing fundraising, increasing income, or reducing expenditure. Similarly, if reserves are significantly above the target level, the Finance Committee will put in place a plan, aiming to eliminate the excess within a sensible timeframe by spending money to enhance the quality of the Trust provision, or otherwise further the aims of the Trust, or by reducing fundraising.

The Senior Leadership Team will not, however, take steps that might call into question the ability of the Trust to continue as a financially viable operation in the long term. It will not plan to use excess reserves should there be a provision for excess funds to cover essential running costs.

3.Responsibility and Monitoring

The Trustees are responsible for ensuring that the funds are maintained and are used only as described in this policy. Upon approval for the use of the funds, the School will maintain a record of the use of the funds. The Finance Committee should regularly monitor the progress of the reserves.

4. Policy Review

This policy will be reviewed and approved annually following our financial year-end by the Finance Committee.