

Reserves Policy

The Board has examined the Charity Commission's requirements for reserves in the light of the main risks to the organisation. Originally, the Board had established a policy whereby the unrestricted funds not committed or invested in tangible assets would be held to cover 3 months' running costs, which with the current rent and salary levels now requires an amount of £56,000 to be held. We have been able to reach this level in the General Reserve.

Funds are also being held in designated reserves as follows:

- One has been set up for the designated purpose of staff costs (£15,000). This has reduced since 31 March 2022 since a higher proportion of the coming year's staffing costs are covered by restricted funds at 31 March 2023.
- A premises reserve (£19,500) has also been set up to cover redecoration costs under our lease, plus other premises costs for 2023/24 that are not covered by restricted or other designated funds. This is unchanged since 31 March 2022.
- Finally, when unspent funding from DCLG was moved to unrestricted funds in August 2020, the Board decided to spread this funding over the following three years rather than spend it all during 2021/22. A reserve of £48,000 was set up to reflect the portion of these funds we are planning to spend in 2022/23 and 2023/24. Around half of this was spent during 2022/23 and £22,275 remains in this reserve at 31 March 2023.

Date Approved by Board	Oct 2023
Review Date	reviewed annually for inclusion in long Annual report
Signed on behalf of the Board of Trustees	_____
Dated	_____