



Reserves Policy

December 2025

Purpose

This policy sets out how the Foundation manages its financial reserves to ensure stability, protect against unexpected costs, and continue to meet its charitable objective.

What Are Reserves?

Reserves are the unrestricted funds held by the charity that are freely available to spend on its charitable purposes. They exclude any restricted funds.

Use of Reserves

The charity holds reserves to:

- Cover essential running costs in the event of reduced fundraising income
- Meet unexpected expenses, including equipment repairs
- Ensure the continuity of grant-making in the case fundraising events are cancelled.
- Provide a financial buffer for emergencies

Target Level of Reserves

The charity aims to hold reserves equivalent to at least 12 months of typical annual grants.

Monitoring Reserves

The Treasurer will report the current reserve level at each trustee meeting. The trustees will review the reserve position before awarding any substantial grants. If reserves fall below the minimum level, the trustees will agree on a plan to rebuild them. If reserves exceed the upper level, the trustees may allocate funds for larger community projects.

Review

This policy shall be kept under periodic review by the trustees.