

Policy: Reserves

First approved: 10 March 2016

Last reviewed: 23 June 2022

Next review due: June 2025

1.0 Reserves Policy

It is the policy of the Trustees to distribute the annual net income from its endowment each year in the form of grants to not for profit organisations and a small percentage as hardship gifts to pensioners. At the Trustees' discretion capital may also be withdrawn to supplement income if required. The whole endowment is therefore available as a reserve.

In practice a balance approximately equivalent to at least 6 months forecast expenditure is held as a cash deposit in the bank account with the Charities Aid Foundation. This allows regular payments of grants and invoices to be made easily and also ensures all financial commitments for a 6 month period could be met in the unlikely event of the quarterly income receipt from the endowment being delayed or not received.