

Reserves Policy

The Trustees have determined that Weeke Community Centre (WCC) should seek to maintain a level of reserves as follows;

- Unrestricted general reserves equivalent to 2 months of budgeted running costs (£8,750 currently).
- Designated reserves to accumulate funds for specific purposes as determined by the Board from time-to-time.
- Restricted reserves to the extent that funds received for restricted purposes have not been fully expended.

Unrestricted general reserves

The holding of free reserves is to enable WCC to continue to meet financial obligations as they fall due should income fall significantly behind budget. This would enable WCC to meet contractual liabilities while the Trustees review financial forecasts and reassess the services offered. In the event of ceasing to operate, the free reserves are expected to be sufficient to cover the costs of any contract terminations.

The level of free reserves should be reviewed at least quarterly against the policy. In addition, on an annual basis the optimal level of free reserves should be reassessed.