



Charity No 1183575

## Reserves Policy

Wivey Cares regards reserves as that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. Reserves are held to help the charity operate effectively and the level of reserves must be held under review annually, and must be monitored throughout the year. In this way trustees will be aware of the build-up of excess reserves or of reserves being unexpectedly or rapidly depleted. Wivey Cares has not yet had the resources to establish a reserve, but the reserves policy is to lay out our expectations for how reserves should be treated. A reserves policy provides essential accountability to funders, donors and other stakeholders. It explains how reserves are used to manage uncertainty and, if reserves are held to fund future purchases or activities, it will explain how and when the reserves will be spent. A reserves policy provides assurance that the finances of the charity are actively managed and its activities are sustainable.

The main points of our reserves policy are:

1. Wivey Cares will aim to hold 3-6 months' reserves in order to fulfil its legal obligations to staff, suppliers and supporters. The reserves might be used for: a. If the charity were to be wound up or otherwise cease to operate b. To provide funding in an emergency c. To match fund against donated funds d. For short-term cash flow needs during funding gaps or delays - the aim would always be to recoup the reserve as soon possible.
2. Wivey Cares will review its reserves policy at least annually as part of a charity's budgetary processes. As our circumstances and the environment we operate in change with time, the level of reserves may need to change too. The amount needing to be held in reserves should therefore be monitored during the course of the year.
3. Wivey Cares will report on its reserves in Board meetings.
4. These reserves will be held in an interest-earning account where they may be accessed easily when needed without major financial penalty or loss.