



Windlesham Field of Remembrance

Charity Reserve Policy

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1. Purpose:

The purpose of this reserve policy is to ensure the responsible management of financial reserves held by Windlesham Field of Remembrance (WFor) charity, in accordance with the guidelines set forth by the UK Charity Commission. This policy aims to maintain financial stability, mitigate risks, and support the long-term sustainability of the organisation.

2. Definition of Reserves:

Reserves refer to unrestricted funds held by WFor that are set aside to address unexpected expenses, economic uncertainties, or strategic opportunities. Reserves are distinct from funds designated for specific projects or purposes. The Hub Sinking Fund is a specific designated fund to comply with requirements from our grant providers and it is a ring-fenced reserve.

3. Objectives:

The objectives of maintaining reserves are:

- Ensuring financial stability to sustain operations and fulfil the charity's mission.
- Mitigating financial risks and uncertainties that could impact WFor's ability to achieve its objectives.
- Seizing strategic opportunities for growth and impact while remaining accountable to donors and stakeholders.

4. Reserve Levels:

The Management Committee will establish and review appropriate reserve levels based on the following considerations:

- Operating expenses for a defined period (e.g., 6-12 months) to cover unforeseen circumstances.
- Specific risks or contingencies identified by the Management Committee in the Risk Register
- Compliance with Charity Commission guidelines and legal requirements.

5. Use of Reserves:

Reserves may be used for the following purposes:

- Covering operational deficits during financial challenges.
- Funding strategic initiatives that align with WFor's charitable objectives.
- Addressing emergency or unforeseen expenses with proper documentation and approval processes.

6. Guidelines for Building and Maintaining Reserves

- Review: The Management Committee will annually review the reserve policy and adjust reserve levels as needed based on organisational needs and external factors.
- Transparency: Financial statements will transparently disclose reserve levels and the rationale for maintaining them.
- Compliance: The reserve policy will adhere to Charity Commission guidelines and best practices for financial management in charities.
- Prudent Management: Reserves will be managed prudently to optimise returns while maintaining liquidity and minimising risk.

7. Reporting and Accountability:

Annual reports will include a clear overview of reserve funds and their impact on the organisation's financial health.

8. Review and Approval:

This reserve policy will be reviewed annually by the Management Committee to ensure alignment with Charity Commission guidelines and evolving best practices in charity governance. Any revisions to the policy will be approved by the Management Committee.

9. Adoption and Implementation:

This policy will be adopted upon approval by the Management Committee and communicated to all relevant stakeholders.