



2.8 Reserves Policy

For good governance and in line with guidance from The Charity Commission, the Trustees set out their policy on reserves below.

It has been agreed that the Charity will seek to hold a reserve level equal to;

- Normal operating expenses for at least 6 months.
- An additional 3 months of administration costs.

Cash will be held and 'ringfenced' as the reserve in our deposit account and will be held to satisfy the following central objectives:

- To provide a level of working capital that protects the continuity of the core work of the charity.
- To provide protection to the Charity against drops in income or the loss of a major fund or project.
- To allow the Charity to take advantage of new opportunities.
- To ensure an adequate level of funding is available so that the Charity could discharge its financial liabilities in the event of an orderly wind down.

Accordingly, the intention is that these funds will only be spent as a contingency if funding runs low and to help stabilise the charity in the event of a downturn, or if an opportunity presents itself to further the objectives of the charity and funding is required at short notice. In the event of funds being spent to pursue such opportunities, the decision to spend funds will need to consider the ability of the charity to replenish these reserves and to ensure that the longer-term stability of the Charity is not compromised.

This reserve policy will be reviewed annually by the Trustees or revised as needed if significant events or circumstances occur that may dictate that an update is appropriate. From time to time, it may be necessary to instate reserves for specific purposes such as projects or capital spend, and this will be considered as and when appropriate.

This Policy was adopted by the Bumblebee Children's Charity on

Date 31.01.24

Name of Signed Lindsay Warne

Role of signatory Charity Administrator

Signed on behalf of the trustees