

Skills & Volunteering Cymru (SVC)



Reserves Policy

A formal policy on reserves was agreed on 14/09/2013 at a meeting of the Trustee Board. The Policy was last reviewed on 6/6/23.

	Reserves Policy
1.0	Introduction
1.1	<p>The purpose of this policy is to set out clearly for volunteers, the SVC Trustee Board, and staff employed at SVC the Policy regarding SVC Reserves.</p> <p>The SVC Trustee Board recognises the main risks facing the charity as the possible:</p> <ul style="list-style-type: none"> • loss of support from our partners • losing funding for running the projects • loss of the organisation's premises <p>To mitigate these risks, the Trustees have devised a Reserves Policy to build up the level of free reserves to cover the charity's overheads.</p>
1.2	The overall aim is to use funds received in a reasonable time to achieve charitable objectives; whilst ensuring sufficient funds are held in reserve in the event of the level of income falling, and to operate an Exit Strategy should the Charity need to cease its activities.
1.3	The SVC Trustee Board will review this policy annually in regard to the changing financial, regulatory and social environment.
2.0	Scope of policy
2.1	<p>This policy applies to:</p> <ul style="list-style-type: none"> • The Trustee Board of SVC • Funders/supports of SVC • SVC volunteers • Staff who work at SVC
2.2	It is hoped that all of your questions relating to this policy have been clearly answered. If you have any questions which remain unanswered then please refer to the SVC Manager.
3.0	Policy
3.1	The SVC Trustee Board consider that the charity should hold free reserves equivalent to nine to twelve months total expenditure.
3.2	The SVC Trustee Board recognises this is good practice to ensure SVC has a contingency plan, and fulfils its legal and moral commitments.
3.3	This Reserves Policy shows transparency and accountability to SVC supporters and funders, and good financial management of the charities accounts.
3.4	The SVC Trustee Board has set a Reserves Policy which ensures that the organisation's core activity could continue during a period of unforeseen difficulty, for a 9-12 month period. Allowing the charity to seek additional funding, or if required, undertake an Exit Strategy by a resolution passed by two thirds majority of the SVC Trustee Board.
3.5	A proportion of reserves to be maintained in a readily accessible form.

3.6	We hope that all your questions have been answered within this Policy, however if you require any further information then please contact the SVC manager.
------------	--