Reserves Policy

The purpose of this policy is to protect the ability of Jack and Pals to operate should the ability of members to source funds from events. This may be due to a pandemic for example. Whilst Jack and Pals receive funding from members when they join, it is and will always be the ethos of Jack and Pals to keep this to a minimum however this means that it does not cover the full running costs of Jack and Pals and we are therefore reliant on fund raising events.

Target range: The trustees aim to hold unrestricted reserves equivalent to 12 months of annual operating costs, currently £1500

Rationale: This target reflects the charity's fixed cost commitments / income volatility / planned expenditure. As our member numbers increase, this will reduce the size of the reserves required.

If reserves fall below the minimum: The trustees will reduce discretionary spending / prioritise unrestricted fundraising / review commitments.

If reserves exceed the maximum: The trustees will allocate excess to [specific project or purpose] / increase service delivery.

Review

This policy is reviewed monthly by the trustees and annually alongside the preparation of the trustees' annual report.

In particular, trustees should:

Identify when reserves are drawn on so that they understand the reasons and can consider the corrective action, if any, that needs to be taken

Identify when reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any, that needs to be taken

Where the reserves level is below target, consider whether this is due to short-term circumstance or longer term reasons which might trigger a broader review of finances and reserves

Regard the ongoing review of the reserves target, the reserves level and the reserves policy as part of managing the charity

Ensure that the reserves policy continues to be relevant as the charity develops or changes its strategy and activities

Review the statement on reserves in the trustees' annual report where there have been significant changes in the reserves policy or level of reserves held

Adopted	1st August 2026
Review Date:	1st August 2027
Signed:	Wendy Withington
	Faye Russell
	Maria Cottrell
	Katy Russell
	Michael Withington