

CAMV Reserves Policy

This policy was adopted on: 17 May 2021
This policy was reviewed on: 11 May 2021
Next review due: February 2022

This reserves policy is monitored and reviewed by the trustees **annually**

1 Designated reserves

Operating reserves - The trustees believe that CAMV should hold financial reserves in order to ensure that the charity can continue to operate and meet the needs of clients in the event of unforeseen and potentially financially damaging circumstances arising.

It is considered given the unreliability and continuance of future funding, timing of cashflow and working capital requirements, cover for unplanned emergency repairs and potential liabilities relating to staff that there should be provision for closure of a particular or all activity.

The trustees consider therefore that it would be prudent to set aside an amount equivalent to the following:

Operating Expenditure - four months' operating costs which has been calculated as £80,800.

Premises – To provide for the cost of Leatherhead office lease commitments (£17.5k pa) and repairs at the end of the lease period (£10k), calculated as £27,500

Redundancy – To provide for contractual staff redundancy obligations in the event of redundancy calculated as £41,100 as at 31/3/21

Total designated reserves: £149,400

Another possible use of part of these funds, whilst not expected in 2021-22, is for relocation costs if we were to relocate to new premises at the expiry of the lease for the Leatherhead premises (The Georgian House) estimated to be £30,000 .

2 Restricted reserves –*CAMV has no restricted reserves*

3 Unrestricted reserves

All other reserves are unrestricted.