



# Windsor Christian Action

Supporting Vulnerable People in the Windsor Community

## Financial Reserves Policy

This policy applies to Windsor Christian Action (WCA) and all of its Projects.

The WCA Trustees have developed a Reserves Policy which is in the interests of the Charity and its beneficiaries and which is intended to provide information about the level of Reserves that will be required annually to protect and safeguard its assets and services. They recognise that deciding upon the level required is an important part of financial management and forward financial planning.

Currently, Windsor Christian Action has no fixed assets, its only tangible asset being the cash held in its various bank accounts. This cash provides the operating mechanism to carry out the Objects of the Charity as set out in its Constitution.

The purpose of establishing a Reserve Policy is to provide early warning of a depleting cash situation such that corrective action can be taken to ensure the charity can continue to meet its objectives. The level of reserves is set such that sufficient time is available to take the necessary action and for that action to have effect on the ability of the charity to meet its outgoings.

The Trustees have considered what corrective action could be required in a cash depleting situation and have concluded that cash reserves broadly equivalent to four months outgoings should be held as reserves.

The level of Reserves required by the Charity may alter from year to year depending on its changeable funding potential and the financial and other risks it encounters. As a result of this, the Trustees will regularly review the effectiveness of this policy.

Proposed by : Tim Allison, Treasurer and Trustee, October 2023

Approved by: Trustees of WCA, October 2023