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Reserves Policy

It is crucial that the Trust has sufficient reserves to tide the organisation over while fundraising is done or to allow an organisation to wind up while meeting its obligation to staff and service users, if existing sources of income are lost.

The Trust is currently dependent on English Football League Trust (EFLT) funding via different programmes we deliver to sustain our activities, as earned income alone would not allow the Trust to continue operating. This means that if there were to be a gap in FLT funding it is likely that the Trust would have to close down.

To avoid closure if funding difficulties were to happen the board of trustees has agreed to keep a certain level of financial reserves to ensure that main operations can continue for a period of 3 months.

The main concerns of the board are to ensure:

* that staff can continue working, primarily to secure new funding
* that members/service users are supported to move on to other services

It has been calculated that reserves of approximately 5-10% of turnover would be needed to continue running for at least 3 months.

The reserves should be built up from the unrestricted (earned) income. The level of reserves should be calculated and monitored every 4 months by the clubs accountant. This policy should be reviewed yearly and whenever there are significant changes in staff hours or numbers.

**Dated**: 14th March 2018

**Reviewed:** 14th March 2019

**V 3.0**