

**SCHOOL AID UK CIO**  
**Reserves Policy**  
**26<sup>th</sup> March 2019**

- (1) School-Aid UK needs reserves so that it will be able to meet its financial commitments as they fall due.
- (2) The Trustees consider that the appropriate level of its reserves should be in the range of 50% of its planned annual expenditure.
- (3) At least once a year the Trustees will review the level of its reserves against a cash flow forecast prepared by its Treasurer for the following period of twelve months.
- (4) If the reserves appear excessive to the Charity's needs as shown by the forecast, the Trustees will take such action as they consider appropriate within the powers of its Trust Deed, to ensure that any excess is expended for the purposes of the Charity.
- (5) If the reserves appear inadequate for the Charity's ongoing requirements, the Trustees will take such action as they consider necessary by seeking further funding streams or reducing its commitments (or a combination of both) so that the Charity's reserves are brought in line with its planned activity. In such circumstances the Treasurer will prepare cash flow forecasts on at least a quarterly basis.
- (6) The Trustees will review this policy every year.