

## **Reserves Policy 2023-24**

Updated and approved: 29<sup>th</sup> June 2023

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The Board of Trustees should consider whether, during the past year, the financial, regulatory and competitive environment in which the charity is placed has changed significantly to warrant any changes to the current reserves policy.

### **CHEAD Reserves Policy**

#### **Rationale behind the Reserves Policy**

CHEAD supports an active and responsive programme of events, seminars, policy briefings and annual conference for members across the UK as well as maintaining two part-time staff members and an accounts assistant on a consultancy basis. The CHEAD Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to six months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time.

CHEAD has taken steps to establish the level of reserve including any risks in respect of expenditure and future income as well as any external risks to income and expenditure. CHEAD also maintains a risk assessment which is reviewed annually and considered as part of the Reserves Policy review.

#### **Level of reserve required by CHEAD**

CHEAD should hold in reserve approximately six months operating capital.

#### **Investments**

The CHEAD Board of Trustees does not consider it necessary to seek independent investment advice. The Board of Trustees considers that current reserve amount should remain stable, accessible and risk free.

#### **Monitoring and reviewing the Reserves Policy**

This policy will be reviewed at the Annual Trustee away day meeting each year.