



INCLUSIVE UNITED COMMUNITY INTEREST COMPANY

RESERVES POLICY

Purpose

The purpose of this Reserves Policy is to ensure the long-term financial stability of Inclusive United Community Interest Company and to protect its core operations against short-term funding gaps or unexpected financial challenges.

Policy Statement

Inclusive United Community Interest Company aims to maintain reserves equivalent to 3 months of core operating costs. These reserves are not intended to be used for regular operational expenses but will serve as a financial cushion in emergencies, unexpected income shortfalls, or to take advantage of unforeseen strategic opportunities.

Use of Reserves

Use of reserves must be approved by the Board of Directors and will only be considered when all other funding sources have been explored. A clear plan for replenishment of reserves will be required following any approved use.

Monitoring and Review

The reserves level will be reviewed annually during the budgeting process or whenever there is a significant change in the organisation's financial position.