



# ST. THOMAS MAR THOMA CHURCH

Stackpool Road, Southville, BRISTOL, BS3 1NW

UNITED KINGDOM - Regd. Charity No. 1122211

*Diocese of North America & Europe & UK-Europe Zone of the Mar Thoma Church*

*Vicarage: 24 Sherbourne Avenue, Bradley Stoke, Bristol BS32 8BB Tel. +44 (0) 117 9834521*

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## Reserves - Policy

### 1. General policy

- 1.1 The Trustees of St Thomas Mar Thoma Church Bristol recognise the importance of a reserves policy to help demonstrate good stewardship and financial management and to manage its reputation.
- 1.2 Our policy is to retain sufficient reserves:
  - To ensure that the Church has sufficient funds to meet its financial commitments;
  - To demonstrate that the Church is sustainable into the future;
  - To ensure that the Church is able to manage future unforeseen financial difficulties;
  - To ensure that excessive funds are not held without any identifiable reason or for any identifiable purpose.
- 1.3 This reserves policy relates only to the Church's unrestricted funds. Restricted funds may be held in addition to be used for the restricted purpose for which they were given.
- 1.4 The overall responsibility for this policy and its implementation rests with the Trustees of St Thomas Mar Thoma Church Bristol
- 1.5 In constructing this policy, the Trustees have paid due consideration to the Charity Commission guidance on charities and reserves.

### 2. Calculating reserves

- 2.1 Financial reserves are considered in two parts:
  - General reserves that are deemed necessary to meet future operational requirements and to protect the Church against future financial uncertainties including loss of income and unexpected increases in operating costs;
  - Reserves set aside to meet future financial commitments for a specific significant project or venture or planned future commitment.
- 2.2 General reserves are calculated after assessing the financial risks faced by the Church and determining:
  - The size of any contingency fund required to meet unforeseen operational costs;
  - Any uncertainty that might exist over the continuation of future income flows including donations and other grants;
  - An amount that might be required to cover expected deficits in the cash budget;
  - An amount that might be needed to meet an unforeseen emergency.
- 2.3 Specific reserves are calculated with reference to a planned spending commitment or to fund a specific project or other venture. Generally specific reserves will be treated as designated funds.



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**2.4** Reserves will be reassessed regularly and specifically in the following circumstances:

- A significant change in the core operations of the Church;
- Information coming to light that change the expected or potential level of the Church future income flows;
- A change in the level or term of fixed commitments onto which the Church has/is entered/entering;
- A significant change to the wider environment in which the Church operates, including the overriding economic climate;
- Annually, in the event that no other re-assessment has taken place.

**2.5** The actual level of reserves will, from time to time, be determined by the trustees in accordance with this policy, minuted and reported in the Church's accounts.

### **3. Using reserves**

**3.1** In the event that the Church has excess reserves, the Trustees will consider how these funds might be effectively used in the future.

### **4. Reporting the reserves policy**

**4.1** The Trustees will include an explanation of the reserves policy in their annual report setting out:

- A brief statement of the general policy;
- The level of reserves held and a brief explanation of why they are held;
- Where material funds have been designated, the amount and the purpose of the designation;
- Where designated funds relate to future expenditure, the likely timing of that expenditure.

**4.2** If the Trustees conclude that low levels or no reserves are required, this will be explained in their annual report.

### **5. Adoption of this policy**

**5.1** The Trustees of St Thomas Mar Thoma Church formally accepted this policy at the Executive Committee meeting held on 24<sup>th</sup> March, 2024