



OBS Reserves Policy 2022/23

OBS will review the level of reserves held, both restricted and unrestricted, at each Trustee meeting. The charity relies on donations from individuals, grants and fundraising to fund the majority of its charitable activities. The nature of these income streams is that funds are not certain to be received and are not evenly spread throughout the year. As future income from donations is uncertain and affected by the wider economic conditions then holding reserves allows the charity time to plan the best way to reduce services or investigate other sources of funding. The charity has been awarded long term grant funding, most notably £114k over 4 years from the National Lottery. This is the last year for this funding so the charity feels that holding a slightly higher level of reserves would be appropriate in order to provide security over services whilst new sources of funding are sought.

The charity operates a mixture of in-person breastfeeding groups alongside one-to-one and group online support. The Trustees believe it is reasonable to hold enough reserves to enable the organisation to transition towards a larger proportion of face-to-face services compared to online operations. The charity continues to move from a self-employed contractor organisation to employing staff and the Trustees believe that it is prudent to hold enough reserves to provide a buffer for any unexpected employment costs, emergency expenses and potential redundancy costs, as well as to ensure that funds are available in a timely manner to continue to maintain our level and nature of service provision.

The charity is planning on increasing the number of sessions a week, and in order to assist in the planning of future service levels and to enable giving notice to both service users and facilitators of any reductions in service levels because of lack of funds, the Trustees consider it reasonable to hold between 6 and 9 months of expenditure in reserve.

Unrestricted reserves at the end of the year were £43k which represents about 7 months of expenditure, along with an additional £5k of deferred grant income which has been earmarked for future activities.