

Reserves policy

The Trust's reserves comprise a general reserve and reserves with a specific purpose.

The general reserve is available for any purpose and can finance a temporary drop in income. The target level for the general reserve is twelve months' expenditure.

Specific purpose reserves are divided between:

- Restricted funds, representing funds raised for a specific purpose that can be spent only for that purpose. Restricted funds vary from time to time and details are provided in the annual report and accounts.
- Strategic reserve, representing money set aside for future major projects. Details of movements on the reserve are set out in the annual report and accounts.
- Fixed assets reserve, representing the cost of fixed assets held by the Trust, which are not available to meet expenditure.
- Revaluation reserve, representing the excess of book value of heritage assets over their cost.

This reserves policy is subject to review every three years.