

Easingwold Methodist Church (EMC)

Reserves Policy

31 August 2025

The Charity's Reserves Policy deals with our General and Designated Funds which total **£96,667** (2024: £113,684), plus a small Restricted Fund of **£680** (2024:£750).

General (Unrestricted) Fund

Ideally, the managing trustees aim to hold in reserve sufficient money in our general and contingency funds to cover six-month's recurrent expenditure. Currently these funds total **£9,571** (2024: £7,486). Of this:

- **£8,109** (2024: £6,478) is held in a Co-operative current account, and is readily accessible.
- **£1,462** (2024: £1,008) is held in a Central Finance Board (CFB) deposit account, and is also readily accessible. However, the account is designated for Quarterly Assessment payments which are collected quarterly by the Circuit. Monies are transferred from the Co-operative Bank current account to cover each QA payment.

This unrestricted reserve allows the church to have available around three months' average expenditure as working capital to cover normal running costs.

Funds held for Designated Purposes: Property Maintenance and Administrator Employment Support

(A) Property Maintenance

The major requirement for a reserve of funds above general day-to-day expenditure, comes from Property Maintenance. With an increasingly aging building (Easingwold Methodist Church has just celebrated its 50th Anniversary), the demands for maintenance and restoration of the building's fabric and structure over the long-term are increasing. On top of this is the need to ensure all statutory regulations (fire, health and safety etc) are met, particularly with the heavy reliance on rental income.

We are aware of a number of areas of significant expenditure that could potentially be required (as outlined in the Summer 2024 Quinquennial Report) including replacement of slate roof above hall and Pre-School, plus ceiling and lighting in main church. In addition, there will inevitably be a need (possibly 'sudden') to replace the boiler sometime in the future, which will prove costly and therefore requires a reserve of funds.

Funds for long-term property maintenance stand at **£87,097** (2024: £106,198) and are currently held as follows:

- As cash on deposit with CFB in a Property Maintenance fund: **£6,783** (2024: £6,484)
- As cash on deposit with the Co-operative Bank: **£490** (2024: £0). (NB This is readily available and represents 10% rental income that is transferred at the end

of each term, as required by Methodist Church Standing Orders. Since it is readily available, it is the first 'pot' used for property expenditure, hence the relatively small current deposit.)

- On deposit with TMCP, with a current balance of **£34,640 + £10,000** (see (B) below) (2024: £42,297).
- As cash in a TMCP fund from money from bequests (eg Muriel Crackles): **£9,941** (2024: £32,470).
- As an investment in a TMCP/CFB Equity Fund, with a current balance of **£18,231** (2024: 17,772).
- As an investment in a TMCP/CFB Managed Fixed Interest account, with a current balance of **£7,012** (£7,175).

(B) Administrator Employment Support

With the proposed employment of a part-time administrator, it would be helpful to have available sufficient money from our reserves (that can be called up, if necessary) to act as a buffer over the first year or so of employment. One of the main focuses in the first year for the administrator will be to increase room booking revenue. Eventually it is hoped that this increase will contribute significantly to the employee's salary costs.

The £10,000 thus allocated will come from:-

- The TMCP/CFB Interest account, with a current balance of **£44,640 (£34,640 + £10,000)** (see above).

NB TMCP have been consulted on the feasibility of using the money for employment purposes. We have been informed that there are no restrictions on its use, provided that Council approval is given.

Restricted Fund (Website Construction)

A small restricted fund exists from two anonymous equal donations of £300 (plus gift aid) given in 2022/23 for the sole purpose of constructing a new website. It is currently on deposit with the Co-operative Bank and has a balance of **£680** (2024: £750). Now that the website has been built, this money will be transferred in the new financial year to the church's Co-op current account to pay the monthly website hosting/managing fee.

This Policy will be reviewed annually at the end of each financial year.