

# CROWTHORNE EDUCATIONAL CHARITY RESERVES AND GRANT DISTRIBUTION CALCULATION FOR 2022/23

## Reserves Policy:

- To maintain a sufficient level of grant funding and to ensure that the trust can meet any unexpected expenses, should the annual income cease, normally a minimum of two year's annual income is held in reserve.
- The reserve amount will be calculated at the beginning of the financial year with information obtained from the previous year end accounts.
- The trustees may decide to vary the amount held in reserves where there has been significant call on the reserves. In such a case the amounts available for distribution may be reduced until the reserves reach two times annual income. In order to ensure the minimum impact on grant monies available for distribution the trustees agree that any over spent reserves will be rebuilt over a period of 3-5 years.

## Grant Distribution Policy:

- The annual income for year ending 31.03.22 was £9,905.57, therefore, the minimum reserve to be set is £19,811 for 22/23.
- Given the above proposal for the minimum reserve, the maximum budget amount for grant distribution is the annual expected income plus 75% of any excess reserve (see table below).
- The total amount of grant funding available will be split between individual grants and educational establishments.
- Funding allocated to individual grants must be one third the total amount available.
- Funding allocated to educational establishments should not exceed two thirds of the funding available unless prior approval has been given by the Trustees.

The table below shows the calculations to obtain the total amount for grant distribution.

Opening Reserve 22/23	£43,518.76
Less Minimum Reserve Amount	£19,811.00
Excess Reserve	£23,707.76
75% of Excess Reserve	£17,780.82
Plus Expected Income for 22/23	£13,265.00
<b>Total Amount for Grant Distribution</b>	<b>£31,045.82</b>

<b>One Third for Individual Grants</b>	<b>£10,348.61</b>
<b>Two Thirds for Educational Establishments</b>	<b>£20,697.21</b>