



**West Somerset Railway Heritage
Trust
Registered Charity No. 265564**



Financial Reserves Policy

- 1) In line with their duties under Company and Charity Law, and in accordance with the guidance issued by the Charity Commission, the Trustees have adopted the policy on reserves.
- 2) The basis of this policy is that, in advance of any major project to develop new carriage storage and display facilities at Bishops Lydeard or Blue Anchor, the main uncertainties facing the Trust are in respect of cyclical and unanticipated expenditure, and in particular:
 - Unanticipated Museum repairs (but recognising that eternal decoration of the Goods Shed at Bishops Lydeard and major repairs to the structure of both that building and the museum at Blue Anchor would fall to the PLC to finance);
 - Cyclical repairs to the Museum at Blue Anchor (such as repainting); and
 - Unexpected costs arising in respect of the storage of unrestored carriages (such as the potential need to relocate carriages if storage in Sherring's Yard and at Dunster Marsh).
- 3) Having considered the scale of the potential liabilities in respect of these uncertainties, the Trustees have determined appropriate levels of reserves and balances, as set out below.
- 4) The Trust will maintain a balance of £20,000 in respect of the Blue Anchor Museum and Goods Shed at Bishops Lydeard. If the balance in the Museum Restricted Fund falls below this level, the Trust will hold reserves in a designated fund to achieve this.
- 5) The Trust will maintain a balance of £10,000 in the General Fund to provide reserves in respect of all other Trust activities.
- 6) The Trustees will review this policy on an annual basis to take account of the financial projections in the three-year Business Plan.

Primary Author, Chris Bolt, Director/Trustee of the WSRHT (formally the West Somerset Steam Railway Trust) September 2017.

DOCUMENT CONTROL

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0.1	Sept. 2017	First Issue of document
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0.2	June 2022	Policy Reviewed. Draft for Approval
0.3	July 2022	WSRHT Board Approved. Next Revision due July 2025

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