

Cambridge Sustainable Food CIC Reserves Policy

The CSF CIC Reserves policy, set out in this document, explains the directors' aims in relation to the level of reserves held by CSF CIC.

CSF CIC is funded by a combination of grants, which are usually restricted to the support of specific projects, and donations. All of these income streams are uncertain. But CSF CIC has commitments to its personnel, the beneficiaries of its ongoing projects and to future events, which it needs to be sure that it can discharge, even if funding circumstances unexpectedly and suddenly become adverse. The Directors have therefore decided it is prudent for CSF CIC to hold minimum reserves at any one time equivalent to at least 2 months typical expenditure at that time and that CSF should ideally aim to maintain at any time reserves equivalent of at least 3 months' expenditure at that time.

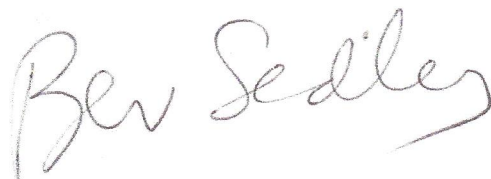
Reserves at this level will provide:

- the ability to meet unforeseen expenditure, including costs arising should CSF CIC be wound up (closedown costs, return of grant funding);
- flexibility in achieving our objectives; and
- a financial 'cushion', giving time to seek further funding

The Directors will review this policy, in accordance with current guidelines, on a regular basis and at least once a year.

Approved by the Cambridge Sustainable Food Directors on

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Signed
Bev Sedley (Chair)