



THE MORTIMER COMMUNITY BENEFIT SOCIETY (MCBS)

RESERVES & INVESTMENT POLICY

It is the policy of the MCBS to always maintain a reserve of £15,000. This figure is determined to be the minimum required for MCBS to cover its liabilities and remain solvent for one year should there be no income from a tenant or MCBS's trading activities. A minuted decision by the MCBS Management Committee is required to break into this minimum reserve.

It is the policy of the MCBS to hold any funds, including the reserve, up to a maximum of £40,000 as readily available cash, with access within 90 days or less. Should funds reach the ceiling of £40,000 the MCBS Management Committee is required to consider and make a minuted decision on the following options:

- share repurchase,
- payment of a dividend to shareholders, or
- investment in order to provide for future strategic initiatives such as major building maintenance projects.

Any investments should be made in low-risk securities with an access period no longer than one year.

This policy will be reviewed annually.

21 February 2025