

YORK AREA GROUP of NORTH YORK MOORS RAILWAY
Registered Charity No. 1073653

The Group's Policy on Management of Funds and Holding of Reserves

The Group's funds comprise the following two categories: -

- **Restricted Funds**, where money has been donated expressly for specific purposes.
- **Unrestricted Funds**, for the trustees to expend as appropriate in support of the Group's charitable purposes. These will include Designated Funds for already agreed projects, plus Unallocated Funds (Reserves) for projects yet to be agreed.

The Group's charitable purposes incorporate provision of financial support to the North York Moors Historical Railway Trust (registered charity no. 501388), through the purchase of equipment, vehicles, machinery and other items to assist the Trust to maintain and enhance its infrastructure and rolling stock, and in support of the Group's members when working as volunteers on the railway.

The Group's annual income is not regular or guaranteed, with the largest sources of income being variable from year to year. The level of sales is affected by incidences of occasional disposals of larger redundant assets and the incidence of donations of books, magazines, timetables, memorabilia and other items in a saleable condition. Donations are not of a committed regular nature but ad-hoc, with occasional individual larger amounts.

The Group's funds are not disbursed as regular scheduled expenditure to support the Trust's ongoing running costs. Instead it assists mainly with capital expenditures and purchase of materials, the requirement for which can not necessarily be foreseen well in advance, e.g.: -

- An item of machinery or plant becomes beyond economic repair and requires replacement.
- A suitable and/or historic item comes up for disposal and available to purchase., e.g. Rail Cranes and Tamper-Liner Machines.
- A new plan or project may arise on the railway, to which the Trust cannot allocate any resources, and which it would be appropriate for this Group to take on.
- The railway's infrastructure may require restorative work, to which the Group may contribute by provision of materials and equipment.

Holding no funds other than those designated for existing agreed projects would leave the Group unable to respond to such opportunities or needs and larger projects can often utilise funds built up over the course of more than one year. Therefore, to permit reasonable provision for such contingencies, Unallocated Funds of up to £35,000 may be held as Reserves.