

ROYAL SCOTTISH COUNTRY DANCE SOCIETY - BRISTOL

Registered Charity No. 1059608

website: www.rscdsbristol.info

Reserves Policy

Reserves

The branch is required to have a policy for unallocated reserves and to follow that policy. Unallocated reserves are funds held from past surpluses that were not raised for any particular purpose i.e. the net assets of the branch other than equipment.

Policy

The committee has agreed the following policy :

The purpose of any unallocated reserve is to enable the branch to cover upfront costs for events, short term mismatches of income & expenditure, unexpected costs and financial losses.

Unallocated reserves should be the total of the following amounts:

- 1. An amount to fund short term imbalances between expenditure and income including deposits for future events currently assessed as £2000.*
- 2. An amount to cover unexpected costs e.g. for the purchase of replacement or new equipment. £2000 should be sufficient.*
- 3. An amount to cover unexpected losses on events, temporary misfortunes and unexpected liabilities. Reserves for this purpose should be in the range 25% to 50% of the expected cost of the most expensive activity in the next year – which is currently £3000 to £6000.*

Thus the Association recommends keeping between £7,000 and £10,000 in unallocated reserves (excluding equipment). This level to be reviewed each year in light of the Association's planned activities.

Date Adopted: March 2018

Document Review

Our policy for regular reviews to maintain a separate document detailing:

- Review timing requirements
- Each of our policies and the date it was adopted
- The date each policy was last reviewed