Reserves Policy Statement

This policy sets out Chelmsford City Swimming Club's need for the financial reserves, and the target range.

CCSC is a multi-disciplined aquatics club, promoting community participation in amateur sport by the teaching, development and the practice of swimming, in all its disciplines, including Swimming, Water Polo and Artistic Swimming to the inhabitants of Chelmsford and the surrounding areas.

The reserves policy is set to ensure we are able to deliver on our charitable aims. The policy ensures we are protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required.

The policy sets our free reserves, which are defined as our unrestricted reserves and are reflected as cash reserves.

We have calculated an appropriate reserves range for our organisation of £70,000 to £80,000.

Reserves

The Charity Commission's CC19 guidance states: "There is no single level or even a range of reserves that is right for all charities. Any target set by trustees for the level of reserves to be held should reflect the particular circumstances of the individual charity. To do this, trustees need to know why the charity should hold reserves and, having identified those needs, the trustees should consider how much should be held to meet them."

When considering the level of reserves to be held we take the following into consideration:

- A review of Cash flow timings, to ensure any mismatches can be covered.
- A review of future membership income, taking into account the reliability and the prospects for securing additional income sources.
- A review of likely future expenditure on the basis of planned activity.
- A review of ongoing commitments, specifically in relation to pool hire, coaching costs and fixed administrative costs.
- Analysis of any future needs, opportunities, commitments or risks, where future income alone is likely to fall short of the amount of the anticipated costs.
- Assessment, on the best evidence reasonably available, of the likelihood of a shortfall arising which means that reserves are necessary, and the potential consequences for the charity of not being able to make up the shortfall

Responsibilities

The Board of Directors are responsible for ensuring that we manage our resources responsibly, and that we act in the best interests of the organisation and the people we serve. The Board of Directors has responsibility for reviewing, approving and monitoring the implementation of this policy.

Laws and regulations

As a registered charity, we are required to meet relevant legal and regulatory requirements. We have a duty to apply charitable funds within a reasonable period of time for the benefit of our members.

This policy sets out the framework we have in place to confirm the level of reserves we have determined is appropriate for our organisation, and draws upon guidance such as the Charity Commission's CC19.

Monitoring and compliance

Reserves levels and forecasts will be monitored at the Board Meetings.