

RESERVE POLICY

1. Mainstream Activities

Cheltenham U3A aims to keep a reserve level that will:-

- cover 12 months of regular operating expenses,
- cover 2 months of hired premises rentals and newsletter costs.

This reserve is to cover any increase in operating costs, sudden drop of income, unexpected expenses, and the need to assist any groups experiencing financial difficulties or new groups' start-up costs.

The level of reserves maintained depends upon the nature of our activities and is monitored by the Treasurer on an annual basis when compiling the annual Financial Statements.

Given the different types of activities undertaken by groups, it is not possible to define every risk that needs to be covered by reserves, but our principle is to ensure that normal activities can continue and that any increases in costs and/or reductions in income can be covered.

2. Social Activities

Social activities are excluded from the above figure as these activities are self-financing.

As a policy, we do not pay up-front costs for events ahead of time, as the organisers are responsible, when planning an event, to ensure that members' payments are received in advance of any disbursements.

3. Review of Reserves

The Committee considers this level to be reasonable for our type of charity. The Reserve level is reviewed on an annual basis by the Committee and amendments made as necessary.