



Slapton Village Hall
Registered Charity: 300968

Financial Reserves Policy

Purpose

The Policy supports the running of Slapton Village Hall (SVH). Income reserves are described by the Charity Commission as: 'the resources the charity has or can make available to spend for any or all of the Charity's purposes, once it has met its commitment and covered other planned expenditure.'

There are two types of reserves:

1. Unrestricted reserves, which are held to offset risks, and
2. Restricted reserves, which are raised or held for specific future purposes or area of SVH assets.

There may be an occasion when an administrative act designates unrestricted funds for a particular project or use.

The reasons why we need reserves

The Charity Commission's "Charities' Reserves" Policy, CC19 and "Statement of Accounting Practice - Accounting and Reporting By Charities (SORP 2000)" requires a Reserves Policy to be included in the "Trustees Report and Annual Accounts" for each year end.

Unrestricted reserves for cash flow and emergencies

A minimum reserve of £10,000 (or equivalent to be at least 12 months budgeted annual expenditure) and a maximum of £30,000 (or equivalent to 24 months of budgeted annual expenditure plus £10,000 capital expenditure) will be maintained to cover any negative cashflow and emergencies (e.g. boiler/heating breakdown or damage to fixtures and fittings). If accessed, efforts should be immediately put in place to restore the balance to the minimum amount.

Planned ongoing and annual maintenance expenditure will be included in the annual budget. This ensures the hall and grounds are maintained in a good condition for the benefit of all hall users and to meet the conditions of the Insurance Policy.

The policy will be reviewed following any significant change in financial circumstances or as a minimum, annually.

Adopted: 14 July 2026

Reviewed: AG Bush AGM

Signature: S.A. Sullock

Name: SHIRLEY ANNE SULLOCK