

# MERESIDE VILLAGE ASSOCIATION

Registered Charity Number 281945

## Mereseide Village Hall Reserves Policy (Draft)

The trustees have set a reserves policy which requires reserves be maintained at a level which ensures that Mereseide Village Hall's core activity could continue during a period of unforeseen difficulty. The MVA Holding Trustees manage a fund (COIF account) that was established to enable the Holding Trustees to manage the Hall for a short period of time should the need arise. The Management Trustees hold liquid reserves to cover other contingencies.

The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle. This is planned for the first meeting following an AGM.

It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted
- Planned activity level
- Organisation's commitments

### Introduction

The trustees have agreed that a level of one year's expenditure should be regarded as sufficient. This is currently £12,000. The MVA has currently 3 revenue streams

- Drivers' Rest
- MVA events held at the hall such as the quizzes
- Private hires

### Current policy

In the current global circumstances, the reserves have not been affected adversely thanks to the assiduous investigation of grants to support the hall during the prolonged period of closure. All 3 revenue streams have been affected. Such circumstances will come to an end and the hall is currently being hired and MVA events are taking place.

### Risk assessment

With regards to income, the future bodes well in that the MVA is returning to pre-Covid levels of income through the 3 income streams. In addition, the committee is actively seeking new opportunities to hire the hall and improve revenue. Equally, expenditure is being made to ensure that the Hall and its grounds are not only maintained but improved based on feedback from events.

### Future activity level: likely requirements on reserves

The main activities over the next 24 months that will affect the level of reserves will be

- Replacing the soffits and facias where necessary on the gable walls of the hall.
- Refurbishing the other soffits and facias
- Resolving the issue with the hall apron being unsafe
- Providing illumination on the MUGA
- Providing lighting for football training in the winter.
- Replacing the container
- Improving the insulation in the roof

### Current reserves level

A formal policy on reserves was agreed at the February 2022 meeting of the executive committee to establish a reserve of £12,000 with a number of allocated projects.

NB. Restricted funds are not classed as reserves and should not be included in the Reserves Policy statement.

*Date Adopted:*

*Signed:*

*Policy to be reviewed on:*