

Messing Village Hall

Reserves Policy

1. Introduction

The purpose of this policy is to ensure the financial stability of the Village Hall by maintaining appropriate reserves. This policy outlines the rationale, levels, and management of reserves to support the ongoing operation and sustainability of the hall.

2. Purpose of Reserves

Reserves are maintained to:

- Ensure the continued operation of the Village Hall in the event of unexpected financial challenges.
- Fund planned maintenance, repairs, and improvements.
- Provide security against unforeseen circumstances, such as a drop in income or emergency repairs.

3. Reserve Levels

The Village Hall Committee aims to maintain reserves at a level sufficient to cover at least **12 months** of operating expenses. This reserve level will be reviewed annually and adjusted based on financial conditions and future commitments.

4. Categories of Reserves

Reserves will be allocated into the following categories:

- **General Reserves:** Funds held to cover day-to-day operational costs.
- **Designated Reserves:** Funds set aside for specific future projects, such as renovations or equipment replacement.
- **Emergency Reserves:** Funds allocated for unforeseen events, such as urgent structural repairs or significant drops in revenue.

5. Use of Reserves

Reserves should only be used for their designated purposes. Any use of reserves must be approved by the Village Hall Committee, ensuring it aligns with the hall's financial strategy. Emergency use of reserves must be reported at the next committee meeting with a plan to replenish the funds.

6. Review and Monitoring

The Village Hall Committee will review the level of reserves annually as part of the budgeting process. Any significant changes in financial circumstances may prompt an interim review.

7. Reporting and Transparency

The reserves position will be reported in the Village Hall's annual financial statements and made available to stakeholders. The committee is committed to ensuring transparency in the management of reserves.

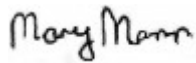
8. Policy Review

This policy will be reviewed every two years or as required in response to financial developments.

9. Approval

This policy was adopted by the Village Hall Committee on **[insert date]** and will remain in force until the next scheduled review.

Signed:



Position: **Chairperson, Village Hall Committee**

Date: 27/02/2025