BOARD APPROVAL:	DEC 19
CURRENT REVIEW:	DEC 19
NEXT REVIEW:	DEC 20

CORPORATE POLICY 010

RESERVES POLICY

1.   Introduction

1.1.   The Board of Trustees recognises that a key element in the management of financial risk is the setting of an appropriate Reserves Policy.

1.2.   The Reserves Policy is subject to regular review annually, and at such other times as circumstances require, by the Governance & Finance Committee, which recommends any necessary modifications to the Board of Trustees for approval.

2.   Purposes

2.1.   Reserves are required for the purposes of:

2.1.1.   managing timing differences between the receiving and spending of income;
2.1.2.   funding new activities for which funding cannot be found from external sources; and
2.1.3.   to try to cover any unexpected withdrawal or reduction of income streams.

2.2.   A significant proportion of the appropriate level of reserves is generally intended to cover the costs of terminating employment contracts and other costs which would arise if a decision to cease operations needed to be taken by the Board of Trustees.

3.   2019/20 Level of Reserves

3.1.   On the above basis, it is considered that an appropriate target level of reserves for the Financial Year 2019/20 would be approximately £500,000 (2018/19 £750,000), represented by unrestricted and relevant restricted net current assets.

3.2.   In the current circumstances, most of the appropriate level of reserves represents the costs of managing the continued activities of the GBWR Elite Squad, up to the completion of the Tokyo funding round, following the withdrawal of UK Sport funding with effect from 1 April 2017 and its partial restoration during the financial year 2018/19.

3.3.   Reserves at the previous financial year end on 31 March 2019 were £535,000 (2018: £586,000).

END

This Policy was updated and ratified by the GBWR Ltd Board of Trustees on 18 December 2019.