



Reserves Policy

Overview

This policy explains why we hold a certain amount of our money in cash reserves, why we hold the level we hold, and how this policy will be reviewed.

Why York St John Students' Union holds Reserves

As a sensible and professional organisation, we feel that it is important that we keep some cash held in reserve. This would be available should any unforeseen circumstance occur or if we needed to wind up the business.

As we are a membership organisation, we feel that each year the majority of our income should be returned to the membership in terms of the services that we provide for them. However, it is prudent for us to budget to create a small surplus each year to ensure that we are living within our means. This is a principle that we expect to continue into the future.

Our reserves have previously been used to fund capital building projects within the Union and again, we would expect this to continue into the future.

Level of Reserves we hold

We believe that the level of held reserves should be £100,000. This amount of money provides us with 90 days for spending power should all of our income streams disappear (both commercial revenue and University grant).

We currently hold £277, 040 in our reserves. We will look to take a phased approach to slimming down our reserves by producing deficit budgets over the next 5 financial years (each year at approximately -£30,000). We should therefore achieve our target of £100,000 by 2015.

Arrangements for reviewing this policy

At any time this policy can reviewed should the chair of the Trustees receive official notice from either two of the Trustee Board or three members of the Finance Committee.

In the event that this does not happen, the policy should be reviewed every three years – making the next review date no later than November 2012.

18.11.09