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Hull and District Chess Association

(Charity Reference 1155858)

Reserves Strategy

This document sets out the Reserves Strategy to ensure the Charity is able to meet its future financial commitments. It was drawn up in accordance with the Charity Commission guidance outlined in document CC19.

Overall the Charity has a low financial risk. The majority of the spending commitments are short term (within the financial year), at most some commitments stretch over two financial years but that is a small proportion of the overall spend. The main income is from investments which is paid to the Charity at the start of the financial year, allowing the annual budget to be set accordingly. The two largest financial risks are:

1. The performance of the Investment funds and potential loss of income.
2. The annual congress where reduced entries can lead to significant financial loss and this is not known until a few weeks before the event.

Based on this financial risk the association will keep in reserve an amount equal to half the annual deployment of income from the Ross Legacy Fund.

The purpose of the reserve shall be:

- To deal with any emergency funding required
- To minimise any short term financial risk from variations in the Associations Investment Funds

The reserves will be held in an account where they can be released within a maximum two week period.

Revised January 2018

Approved by the Trustees 09/01/2018