

u3a Oldham	Doc.Ref. OLD -012 issue 1
FINANCIAL RESERVES POLICY	04/05/2021

Policy

Item 18 Powers of trustees, section (h) of the Oldham u3a constitution confirms the power of u3a trustees "to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;"

What level should the Financial Reserves target be set at?

The advice from the UK u3a National Office is that it is recommended that u3as should have 1 year's expenditure as a reserve.

Financial Reserve Target

To safeguard its continuing financial viability Oldham u3a will endeavor to accrue reserves sufficient ideally to meet its normal running costs for a period of 12 months (£20,000). The above figure is currently an aspirational sum which the committee will work towards achieving by managing finances effectively to produce a positive balance each year which will increase over time. The treasurer will continue to monitor income and expenditure closely, updating the committee monthly regarding the Oldham u3a's financial position, both current and projected, so that the long-term increase in reserves is achieved without adversely affecting the ongoing activities of Oldham u3a.

Signed

Committee role