

OAST QUILTERS RESERVES POLICY

The policy of Oast Quilters is that the organisation holds sufficient financial reserves:

- (i) To ensure the organisation is able to continue operating despite significant decreases in income streams or unforeseen additional costs;
- (ii) To ensure any contractual obligations are able to be met should the Club have to cease its operations;
- (iii) To enable restructuring or financing future growth and development in line with the organisation's objectives.

The Committee believe that an appropriate level of reserve for the Club is:

- a. One years budgeted operational costs including development costs and contingencies, plus
- b. Sufficient funds to be held in a separate earmarked reserve to promote the next showcase.

An annual review of reserves will be carried out at the time the budget is approved in order to:

- Compare current reserves held with current policy level
- Ensure the reserves level requirement continues to be appropriate after consideration of all financial risks and current/future plans
- Ensure current budgets and future financial plans remain consistent with the reserves policy.