



Naphill Village Hall & Playing Fields Reserves Policy

A formal policy on reserves was agreed at the 1st May 2023 meeting of the Naphill Village and Playing Fields Council. It states:

“Reserves will be maintained at a level which ensures that Naphill Village Hall & Playing Fields organisation’s core activity could continue during a period of unforeseen difficulty.”

The Trustees that form the Management Council are constituted to run the facilities for the benefit of the inhabitants of Naphill and Walters Ash in the Parish of Hughenden, Buckinghamshire and its immediate vicinity.

The lesson learnt from the COVID lockdown is that income from all streams can almost completely disappear while core expenditure is difficult to reduce.

The reserves are to be maintained in a readily realisable form that is not subject to capital loss. The calculation of the required level of reserves is an integral part of the organisation’s planning, budget and forecast cycle. It takes into account:

- The complete loss of all high-risk income streams, leaving income from the wayleave lease only
- Core expenditure in all risk categories remaining at the previous year’s level
- All non - core expenditure being put on hold

Assessment of risk to income and expenditure streams

Income	Fund Raising	high
	Lettings	high
	Leases	moderate
	Playing Field	high
Expenditure	Cleaning	low
	Building Maintenance	high
	Ground Maintenance	moderate
	Energy costs	low
	Insurance	high

Calculation of the actual reserve figure: As the wayleave lease income is not a material income stream, the Council will hold sufficient reserves to cover a year’s expenditure. (This is calculated as the previous year’s total examined expenditure reduced by any material one-off items.) This would give sufficient time for trustees to put an action plan in place going forward.

The building is almost 100 years old and while during that time there has been maintenance and upgrades a need for major refurbishment should not be factored in because the extent of the work would extremely subjective, rendering costing impossible. This kind of work would be covered by specific fundraising / grants.

Current reserves level (Financial year 2024) £ 39,819

The Financial Reserve was approved the Naphill Village Hall and Playing Fields Council’s Annual General Meeting on 8th April 2024

The date of the next review will be March 2025