

WELSH BOWLS UMPIRES ASSOCIATION

RESERVES POLICY: OPERATING RESERVE

Purpose

The purpose of the Operating Reserve Policy for Welsh Bowls Umpires Association is to ensure the stability and ongoing operations of the organisation. The Operating Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expense, unanticipated loss in funding or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as Member development, equipment or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. The Operating Reserve Policy will be implemented in conjunction with other governance and financial policies of Welsh Bowls Umpires Association and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Definitions and Goals

The Operating Reserve Fund is defined as a designated fund set aside by action of the Management Committee. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations for a set period, measured in months. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum Operating Reserve Fund is equal to 12 months of average operating costs. The calculation of average monthly operating costs included all recurring, predictable expenses such as Officers Allowances, office expenses, umpires' courses and ongoing training programmes. The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget reported to the Management Committee and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be showed in the financial records, as "Reserve Fund".

The Operating Reserves of the Welsh Bowls Umpires Association will be maintained in the general bank account and clearly shown as the "Reserve Fund".

Use of Reserves

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds.

The Management Committee will identify the need to access the reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other source of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves.

The Treasurer will submit a request to use Operating Reserves to the Management Committee. The request will include the analysis and determination of the use of funds and plans for replenishment. The organisations goal is to replenish the funds used within twelve months to restore the Operating Reserve Fund to the target minimum amount. The Management Committee with either approve the request, modify the request and authorise transfer from the fund or reject the request.

3. Reporting and monitoring

The Treasurer is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon the approval for the use of Operating Funds, the Treasurer will maintain records of the use of funds and plan replenishment. The Treasurer will provide regular reports to the Management Committee of progress to restore the Fund to the target minimum amount

Review of Policy

This Policy will be reviewed every other year, at minimum, by the Management Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Treasurer to the Management Committee.

Policy Implementation Date April 2026

Review Date April 2028