



Welsh Target Shooting Federation

Reserves Policy

Benefits:

- Guides long term financial planning
- Goal is financial stability
- Defines money needed for risk
- Explains why reserves are needed

Reasons for Reserves:

- Cashflow (delays in grant funding)
- Significant loss or drop in funding
- Costs for committed events/goals
- Unexpected events

Amounts Required for Reserves:

- A significant reduction or total loss in funding from Sport Wales – cost of winding down activities until within reduced income. **£23,000**
- Late payment of grant from Sport Wales resulting in a cash flow problem – One month's expenditure. **£23,000**
- Budget holders or staff mismanaging NGB funds resulting in budget overspend – cost of two overseas trips/competitions. **£7,500**
- NGB non-compliant with HMRC tax laws – Cost of legal fees and back payment. **£3,000**
- NGB non-compliant with current and new pension regulations – cost of legal fees and back payments. **£2,500**
- Unforeseen costs due to employment law issues – cost of legal fees and out of court settlement. **£2,000**
- Total reserves need to be **£23,000 + £23,000 + £7,500 + £3,000 + £2,500 + £2,000 = £61,000**
- Reserves need to be built up from non-Sport Wales grant income.