

Financial Reserves Policy and Procedures

Introduction

Haslemere Players performs a vital role in enriching the local community of Haslemere and the surrounding area by providing a creative outlet, educational opportunities, and cultural enrichment. To ensure the financial sustainability and stability of Haslemere Players, a well-defined financial reserves policy and clear procedures are essential.

Purpose of Financial Reserves

The primary purpose of financial reserves is to provide a safety net for unexpected expenses and financial challenges that may arise. Financial reserves help to:

- Maintain operations during periods of reduced income or unexpected expenses.
- Fund essential repairs and maintenance of equipment and facilities.
- Invest in new productions, programs, and community outreach initiatives.
- Ensure long-term sustainability and financial health.

Setting Financial Reserve Targets

Setting appropriate financial reserve targets is crucial for the stability of Haslemere Players. The following guidelines can be used to determine reserve targets:

Operational Reserves

Operational reserves should cover at least three to six months of regular operating expenses, including rent, utilities, rehearsal venue hire, and other essential costs.

Capital Reserves

Capital reserves should be set aside for significant investments in equipment, facilities, or other long-term assets. It's recommended to conduct a needs assessment and estimate future capital expenses to determine the appropriate amount.

Building and Managing Financial Reserves

Fundraising and Donations

Regular fundraising efforts and encouraging donations from patrons, sponsors, and community members can help build and maintain financial reserves. Engaging with the community and highlighting the importance of financial stability is key to securing ongoing support.

Grants and Sponsorships

Applying for grants and seeking sponsorships from local businesses, foundations, and government entities can provide additional funding for reserves. Ensure that applications clearly outline the

need for financial stability and the impact of the Haslemere Player's productions and community work.

Budgeting and Financial Planning

Incorporating reserve contributions into the annual budgeting process is essential. Allocate a portion of Haslemere Player's income to reserves each year and review financial plans regularly to adjust targets and strategies as needed.

Accessing and Using Financial Reserves

Approval Process

Establish a clear approval process for accessing financial reserves. This should involve Haslemere Player's trustees on the Committee to ensure transparency and accountability.

Criteria for Use

Define specific criteria for when and how reserves can be used. This may include emergencies, unexpected expenses, strategic investments, or other clearly defined situations.

Documentation and Reporting

Maintain thorough documentation of all decisions related to the use of financial reserves. Provide regular reports to the Trustees and members of Haslemere Players (Stakeholders) to ensure transparency and accountability.

Review and Update Policy

Annual Review

Conduct an annual review of the financial reserves policy and procedures to ensure they remain relevant and effective. Adjust reserve targets, guidelines, and strategies based on Haslemere Player's financial situation and needs.

Members (Stakeholder) Involvement

Engage stakeholders, including trustees and members in the review process. Their input can provide valuable insights and help build consensus around financial policies and practices.

Conclusion

A well-defined financial reserves policy and clear procedures are crucial for the sustainability and stability of Haslemere Players. By setting appropriate reserve targets, building and managing reserves effectively, and ensuring transparency and accountability, the Players can continue to enrich its community and provide valuable cultural experiences for future generations.