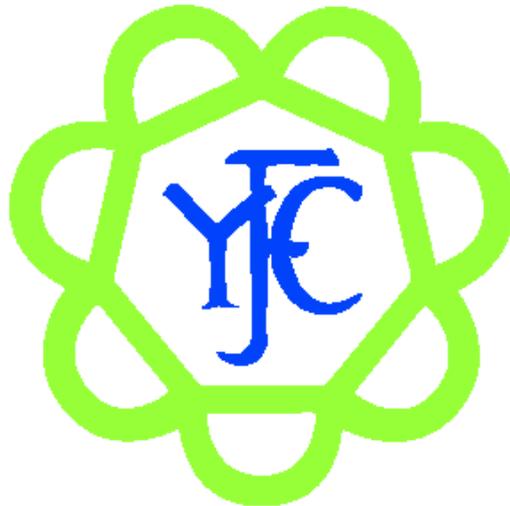


**Yorkshire Federation of Young Farmers Clubs**

# **Charity Reserve Policy**



Re-Approved by Executive Committee  
16<sup>th</sup> May 2019

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The Yorkshire Federation of Young Farmers' Clubs was formed in 1974 due to County boundary changes.

The funding of the "County Federation" is largely through monies raised by "County" and by the Districts and Clubs, to enable the smooth running of the Federation.

Grants from other bodies are now almost negligible and are an unreliable source of funds in the long term.

Clubs and Districts also fund "County" by levy mainly based on Membership numbers and age ranges. However, this levy along with sponsorship and fund raising events no longer covers the costs of the Federation and the shortfall has to be met from Reserves.

Most of the County's Reserves are unrestricted and the three funds which are restricted are:

- 1) Money held from closed Clubs restricted for 7 years (in the hope that a Club may reform) and after which it is then transferred into the Federation's unrestricted General/Capital Account. £ 5,918.00 is at present held in a designated Charity Account.
- 2) Life Members' Award Fund and of which £662.00 is at present held in a designated Charity Account.
- 3) Development Fund of which £23,551.00 is at present held in a designated Charity Account.
- 4) Pre-paid grants of which £10382.00 is at present held in our general account.

The Charity Reserve Policy is the responsibility of the Trustees appointed by the "Federation" and must be agreed by them. It is considered that a realistic Reserve Fund would be a minimum of £125,498.00.

It is considered that the Federation's Annual Report and Accounts adequately meet the requirements of the Charity Commission and it is assumed that the same is provided to the Commissioners as necessary.

The Trustees look to the Federation's Finance and General Purposes Committee and to its County Executive Committee to be constantly aware of the need for strict financial management and of the sense of urgency which now prevails.

In answer to questions which may be put by Members, the response would be as follows:

- a) Why are Reserves necessary? – To balance "the books" in a shortfall year.
- b) What level of Reserves is considered necessary? – At least £125,498.00 when considering the Federation's Annual Turnover.

- c) What steps to be taken to maintain levels of Reserves? – Increase in general fund raising; increase in Membership and in sponsorship.
- d) What arrangements are in hand for monitoring and reviewing the Policy? – Ongoing but to include a minimum annual review by the Trustees and the opportunity for the Trustees to attend (as they wish) Meetings of the EF & GP Committee and to be regularly provided with the Agendas and minutes of meetings of that committee.

Prepared by:  
Jean Daniel  
Adrian S Willis  
16th May 2019

Signed: .....

Georgina Fort, Chairman of Executive Committee

Dated: .....