

DoorstepArts.co.uk

WE ALL MAKE THE STORY HAPPEN

OPERATING RESERVE POLICY

I. PURPOSE

This Reserve Policy is to ensure the financial health and integrity of the organization that is Doorstep Arts CIC, a non-profit arts education organisation that believes that we all make the story happen – that participation in the arts is a key part of working for social justice. As a company Doorstep Arts believe that all children’s voices and stories matter and deserve to be listened to and that all children deserve to be able to access high quality participatory arts and to see (and make) amazing and inspiring work on their own doorsteps.

The purpose of this Operating Reserve Policy for Doorstep Arts CIC is to build and maintain an adequate level of unrestricted cash reserves to support the organisation’s day-to-day operations in the event of unforeseen shortfalls. Operating reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

II. DEFINITIONS AND GOALS

The target minimum Operating Reserve Fund is equal to three months of recurring operating costs and is calculated on a maximum three months expenditure to ensure ongoing company activities. Current reserves equate to one months operating costs and it is our goal to increase these operating reserves to a minimum of three months over the course of the next five years. A three month policy is designed to enable Doorstep to operate for a full term of Artistic activity.

These reserves will be reported to the Finance Committee and the Board of Directors, and included in the regular financial reports to ensure that we are working towards achieving our objectives.

III. REVIEW OF POLICY

This Policy will be reviewed by the Finance Committee annually, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Subcommittee to the Board of Directors. Every revision on approval will be recorded in writing and redistributed as necessary. Its purpose will so as to ensure the financial health and integrity of the organization in pursuit of its mission as set out in 1.

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Doorstep Arts CIC
September 2018