

West Wickham Bowls Club CIO

Reserve Funds Policy (update November 2025).

The purpose of this fund under normal circumstances (i.e. non COVID / see COVID footnote) is:-

1. To meet day-to-day operational costs that are not budgeted for; unforeseen emergency or unexpected expenditure.
2. The need to fund short-term deficits in the cash budget; assisting cashflow.
3. Planned commitments for major asset purchases or to update club facilities

How much is needed in reserve?

The aim is to reach a sweet spot that ensures a level of Reserve that will sustain the club in the medium future whilst not hoarding funds and stifling continued investment in the club.

The charity set an original target of holding approximately £50,000 in the Reserve account at the end of the financial year 2022.

With the aim of increasing the Reserve fund annually by CPI plus 3%.

That said, CPI in October 2022 reached 11.09% before falling in June 2024 to 1.67%. In October 2025 CPI was 3.6%.

From January 2021 to November 2025 - £1 has lost buying power of 23% due to inflation. £50,000 would now need to be £61,500.

Furthermore the club's annual exceptional spend over the last 5 years has averaged £10,000 per annum.

As a consequence of extreme fluctuations in CPI over the previous 4 years and the club regularly incurring exceptional spend of £10,000 the Reserve target for October 2025 was set at £65,000.

The reserve amount of £65,000 would enable the charity to meet three unexpected critical failures of vital equipment say Green Mower (£12,000) and replacement Water tank (£5,000) plus a minor roof repair (£3,000) plus sufficient legal fees for purchase of new 99 year lease. In today's terms a combined total of £24,000 of exceptional annual expenditure and still have £40,000 to address future spend over the next 5 year period.

The Reserve fund at the start of this 25/26 financial year stood at £69,647.

Given steady inflation figures for the foreseeable future, the aim is to increase the Reserve fund from a base figure of £65,000 (1/11/25) annually by CPI (say 3.5%) plus 3% - 25/26 target £69,300.

COVID footnote

In 2020 the club experienced a disrupted season and limited activity (the clubhouse was closed for 6 months).

Bar and Social income for 19/20 produced a surplus of just £1,700.

The club's reserve started the year at £25,494 and end with £25,801.

Additionally it was decided to offer 2021 renewals at a reduction to compensate members for the shortened activity in season 2020 (generously most members declined the discount).

Basic outgoings in 2025 are £18,000 - this would need to be funded from the Reserve fund if there was no activity throughout a season.