

## Emergency Operating Reserves policy

### 1. Objects of charity

To advance the education for the public benefit in the art of dance and in particular but not exclusively for the learning disabled.

### 2. Approximated figures from Statement of Financial Activities (SoFA) for year ending 31st March 2019

Annual expenditure is £117,000 of which 40% spent on projects and 60% on core costs.

### 3. Stated reserves policy

DanceSyndrome believes that the charity should hold financial reserves (the "Emergency Operating Reserve" - EOR) because:

- i. it has no endowment funding and is entirely dependent for income upon donor funding from year to year which is inevitably subject to fluctuation and
- ii. it requires protection against, and the ability to continue operating despite, catastrophic or lesser but damaging events

The trustees believe that the minimum level of the EOR should be sufficient to maintain operations for three months. The income streams are anticipated to change considerably over the next three years and to some extent so are the budgets. The trustees have therefore set the following guidelines for the EOR based on the perceived risks for the Company as at March 2018:

- The 2018-19 EOR should be £20,000 based on three months total core costs.
- The 2019-20 EOR should be £80,000 based on twelve months total core costs.
- The 2020-21 EOR should be £80,000 based on twelve months total core costs.

These figures will be reviewed at least annually and the trustees believe that the EOR should be built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable activities.

Any part of the EOR may be utilized at any time by agreement with the trustees, provided that a strategy is implemented for its recovery to desirable levels in line with DanceSyndrome's charitable objectives.

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**Registered Charity No: 1152664**  
Registered in England and Wales  
**Social Enterprise**  
and company limited by guarantee  
**Company No: 8402154**



This policy will be reviewed annually and amended when necessary. It may also be reviewed should any new, relevant legislation require this.

Date of implementation: February 2013

Date of next review: November 2019



Signed: .....

**Sue Blackwell, Acting Chair – DanceSyndrome – 01.11.2018**