GCS Reserves Policy

1. Purpose of the Policy

The purpose of this policy is to ensure the stability of ongoing activities, to protect GCS against unexpected financial shortfalls, and ensure it can meet its contractual obligations to venues, musicians, its musical director, accompanist and suppliers.

2. Risk Profile & Need for Reserves

GCS is dependent on variable income streams, including ticket sales, member subscriptions, fund raising opportunities and donations, while major costs (venue hire, professional soloists, and orchestral fees) are often fixed well in advance of a performance. Reserves are required to:

- Cover the financial risk of a poorly attended concert or unforeseen event cancellation.
- Manage working capital fluctuations across the annual concert season.
- Provide a buffer for unexpected operational costs (e.g., sudden increase in sheet music, professional fees or venue costs).

3. Target Reserves Level

The Committee have determined that the ideal level of free reserves (unrestricted funds not tied up in fixed assets or designated for specific future projects) should be equivalent to **12 months** of typical core operating costs.

4. Monitoring and Review

The Treasurer will report on the current level of reserves at each Committee meeting.

This policy will be reviewed annually by the Committee ahead of the Annual General Meeting to ensure the target remains appropriate to the Society's upcoming artistic programme and financial risks.

Policy approved by the GCS committee at their meeting of 16th June 2026

GRANTHAM CHORAL SOCIETY

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June 2026