



Star Club (1960) CIC ('the club')

Reserves Policy (2025/26)

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1. Introduction

The Club is in the fortunate position of having sufficient reserves with regard to its future sustainability. The aim of this Policy is to ringfence a level of cash reserves to be available to meet essential non-recurring expenditure and to protect the Club's on-going operations from the risk of disruption at short notice, due to lack of funds. Concurrently, the Policy aims to ensure that levels of cash reserves are not retained for longer than required.

The Policy is reviewed on an annual basis, taking into account the Club's financial state of affairs and revising where operational circumstances dictate. Also, the Management Board may set aside specific sources of future revenues arising from such sources as bequests, grants or appeals to be allocated towards specific projects.

The amount allocated to Reserves will be invested in an instant access interest-bearing investment account with a British financial institution and one that is covered by the Financial Services Compensation Scheme. The returns from the investment will be bench marked on a regular basis against those offered by similar Institutions.

Net cash currently generated by the Club is negligible (approximately £7,700 in 2025) and the required level of Reserves is chiefly a function of the threat to sufficient cash generation through risks to income, cover for planned increases in operating costs and the need to replace unplanned major equipment.

2. Risks to Income Reserve

Income Category	Identified Risk	Estimated Impact
Subscriptions	Since 2020 subscribers' income has increased by 20%, primarily due to increases in members. Pressure on equipment and facilities could lead to a loss of members and an amount equivalent to 5% of 2024/25 membership subscriptions will be held in reserve.	£3,600
Donations	Donations in 2024/25 amounted to 48% of the average level for the past 6 years. 50% of the amount received in 2024/25 will be reserved against this downward trend.	£4,930
Learn to Row and summer courses' fees	Fees received in 2024/25 may represent a 'high water mark' due to constraints on the availability of volunteers. 25% of fees received in 2024/25 will be reserved.	£3,320
Event net income	The Club stages two Heads and a Regatta. It also receives a dividend from Bedford Regatta. Adverse weather conditions in the recent past have led to the cancellation of at least one event and on occasion both a Head and a Regatta. Bedford Regatta has also been cancelled. Net income from staging events will be in the region of £20,000 and an amount equivalent to 50% of the total will be kept in reserve.	£10,000
Net cafe/bar surplus	At an operational level the café/bar breaks even and the surplus in 2024/25 was a result of amounts received from function hire. Margins and staff costs' pressures may reduce future net surpluses and 25% of the 2024/25 figure has been reserved.	£1,875

3. Risks to Operating Expenses Reserve

Expenditure Category	Identified Risk	Estimated Impact
Repairs and Maintenance	Repair of urinal drainage system	£3,500
Repairs and Maintenance	Maintenance of changing room extractor	£10,000
Participation Fund	Increase in the fund	£2,500

4. Risks to Non-recurring Expenses Reserve

The fabric of the boathouse is in a satisfactory state and the Management Board separately allocates cash reserves to finance planned enhancements to the building.

This Reserve aims to cover unplanned major expenditure on the premises arising from unforeseen circumstances such as breakdowns in equipment and emergency repairs to the fabric. An amount of £5,000 has been reserved for this purpose.

5. Conclusion

The cumulative financial impact of the matters identified above suggests that a total Reserve in the region of £40,000-£45,000 is an appropriate level given the Club's current financial position and operational requirements.

Dated: 27 January 2026