



# **VOLLEYBALL ASSOCIATION OF SINGAPORE**

## **FINANCIAL RESERVES POLICY**

Document Name:	FINANCIAL RESERVES POLICY
History:	Approved: 6 JANUARY 2021
Responsible Officer:	VAS Board & Secretariat

## 1. INTRODUCTION

- 1.1 The purpose of this policy is to outline VAS's commitment to the creation and maintenance of financial reserves to record future commitments for specific purpose expenditures. The policy will provide a rationale for the purpose of financial reserves and detail how the reserves funds will be increased and decreased.
- 1.2 Reserves are created where surplus operating cash is put to one side to be allocated to future expenditures. Reserves are not mandated but if they exist the cash held in the reserves is required to be available for its specified use.

## 2. OBJECTIVES AND STRATEGY

- 2.1 Greater transparency and accountability to relevant regulators and public who donates to the Association for specific purposes.
- 2.2 Maintain some level of reserves to ensure its long-term financial sustainability.
- 2.3 Ensuring sustainability of key programmes in times of disrupted income/ sources of funds.

## 3. POLICY

- 3.1 VAS will set aside funds in the reserves with amounts to be decided during the annual budget process and at any other time by Board of Directors, with the amounts to be transferred accordingly. During the annual budget process the Board outlines the expected transfers to reserves and transfers from reserves. These transactions will be in line with this policy. However, if that purpose does not eventuate or the Board changes its priorities the funding can be diverted to other purposes subject to the Board's approval.
- 3.2 The following are reserves currently used by the Association and specifies their purpose and conditions around annual movements.

Reserve name and purpose	Board transfer to the reserve	Board transfers from the reserve
<b>High Performance Reserve:</b>  The Association receives 1-to-1 OTSF grant from SportSG annually. Such grant can only be used for	Annually an amount determined during the budget process as surplus for the financial year, generally raised through donation drive earmarked for High	The investment in High Performance and High Performance related programmes during the financial year as determined by the annual budget process

funding high performance programmes.	Performance Programmes.	
<b>Lui Tiow Kar (LTK) Volleyball Scholarship Reserve:</b>  The Association receives donations from the public for funding of the LTK Volleyball Scholarship. Funds earmarked for the LTK Volleyball Scholarship can only be used for funding disbursement of the scholarship	Annually an amount determined during the budget process for disbursement of scholarship	Disbursement of LTK Volleyball Scholarship

#### 4. LEGISLATION AND STANDARDS

- 4.1 This is a legislative requirement for charities with gross annual receipts or total expenditure of \$500,000 and above, and all IPCs. Restricted cash must be disclosed in the financial report.

#### 5. RESPONSIBILITIES

- 5.1 The Treasurer and Finance Manager are responsible for the review and management of this policy.

#### 6. STAKEHOLDERS

- 6.1 Charity Council, Donors, SportSG

#### 7. CHANGES TO THE POLICY

- 7.1 VAS is committed to ensuring that all policies are up-to-date and reflect current practices.
- 7.2 Changes to this policy will be reviewed and approved by VAS Board, following which, it will be updated and posted on VAS's website.