

YCBA Response To John Hayton's AGM 2021 Resolution Regarding The Level Of Reserves

The YCBA Board has given careful considered to this resolution and advise that it be rejected.

The reasons for this are:

1. It challenges the creation of surpluses from our efforts in the context of being a “non-profit body”.

This is a misreading of “non-profit” which correctly means “Does not earn private profits for its owners or particular members/directors/trustees”. These surpluses are used in pursuing the Board’s prime objective as stated in the Constitution - “To promote Duplicate Contract Bridge in the County of Yorkshire... “. Similarly our Yorkshire member clubs are “not for profit bodies” that also make surpluses resulting in reserves.

2. It assumes that the Board does not fully identify projects to promote bridge in Yorkshire

This is a false representation of the actions and strategy of the YCBA. Your Board strives constantly to develop and strengthen the County and bring forward membership and teaching campaigns together with competition development. A “rainy day” mentality and inaction on reserves as stated in the resolution does not exist.

3. It prescribes the level of future reserves as £30,000 several years on from now

Every organisation’s reserves, including those of the YCBA, should be managed to cope with any threat or risk that might arise from the environment it operates in. It should also allow for current and future strategy development.

The £30,000 reserves level ten years ago existed in a much more stable bridge environment when the levels of our competitions and membership numbers were far lower. That is not appropriate in today’s situation especially with the uncertain impact of Covid and virtual play.

To set a ceiling now for future YCBA reserves in three and five years’ time when the operating landscape is volatile and unknown is simplistic and dangerous.

4. It states that we have a major problem due to the excess level of current reserves.

The Board does not recognise that this is a problem. Due to the uncertainties of future revenues together with the increased requirement for both development and support for our Yorkshire clubs, we believe our reserves need to be substantially higher than the suggested £30,000 and therefore the current reserves are appropriate.

5. As a core strategy, your Board have been working to strengthen clubs and develop membership numbers. Any thoughts on how part of our reserves can be used to take this further would be very welcome.

Nick Woolven
Chair of YCBA
4 June 2021