

Enfield Island Village Trust

Reserves policy

The Trust maintains a reserve for expenditure that does not occur in every year. These are unrestricted funds, given the close relationship between the objectives of the Trust and the objectives of the rent charge. The reserve comes from a number of sources, including contributions by residents, donations from the developer, and income from the Trust's investments. However, it is all for the same purposes.

Trustees take the decision about the level of the annual contribution to reserves and about the overall level of the reserve and do not delegate this to a contractor. Present assumptions call for an average contribution to reserves of the figures shown at Annex A, assuming an average level of inflation of 3%. A higher or lower figure may be set in any individual year depending on affordability, taking into account pressures on annual expenditure.

The level of contribution to reserves will be kept under review, especially in the light of emerging experience, expenditure decisions and expert advice on different aspects of the Estate. The current model adopted by trustees is at Annex A.

Investment decisions are taken by trustees using their powers of investment in the Trustee Act 2000. Investment property may be purchased for rental income.

Such investments may be made only to the extent that the cash sum of £150,000 is available to the Trust at short notice, to cover any urgent unprogrammed reserve expenditure.

5 September 2011

Annex A Reserves model 5 September 2011

Assumes average inflation 3% per year. The base figure for 2001 is a theoretical figure based on current reserve needs rather than the actual figure charged.

Year	Canal drain and clean	Refurbish barge	Community centre building	Community centre refurbish/ remodel	Surface dressing roads and pavements	Planing roads	Water tower repair/ rebuild	River cleaning around Island	Replace/ renew play area and exercise equipment	Reserve for major relandscaping	Contingency	Totals	Annual contribution
2001												£0	£75,000
2002												£0	£77,250
2003											£318,270	£318,270	£79,568
2004												£0	£81,955
2005												£0	£84,413
2006												£0	£86,946
2007												£0	£89,554
2008												£0	£92,241
2009												£0	£95,008
2010	£91,334	£45,667		£45,667	£26,095			£169,621	£52,191			£430,575	£97,858
2011												£0	£100,794
2012												£0	£103,818
2013												£0	£106,932
2014												£0	£110,140
2015												£0	£113,444
2016			£778,984				£311,593					£1,090,577	£116,848
2017												£0	£120,353
2018											£495,854	£495,854	£123,964
2019												£0	£127,682
2020	£122,745	£61,373		£61,373	£35,070	£175,351		£227,956	£70,140	£87,675		£841,683	£131,513
2021												£0	£135,458
2022												£0	£139,522
2023												£0	£143,708
2024												£0	£148,019
2025												£0	£152,460

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2026												£0	£157,033
2027												£0	£161,744
2028												£0	£166,597
2029												£0	£171,595
2030	£164,960	£82,480		£82,480	£47,131			£306,354	£94,263			£777,667	£176,742
2031												£0	£182,045
2032												£0	£187,506
2033											£495,854	£495,854	£193,131
2034												£0	£198,925
2035												£0	£204,893
2036												£0	£211,040
2037												£0	£217,371
2038												£0	£223,892
2039												£0	£230,609
2040	£221,692	£110,846		£110,846	£63,341	£316,703		£411,714	£126,681	£158,351		£1,520,173	£237,527
2041												£0	£244,653
2042												£0	£251,992
2043												£0	£259,552
2044												£0	£267,339
2045												£0	£275,359
2046												£0	£283,620
2047												£0	£292,128
2048											£772,525	£772,525	£300,892
2049												£0	£309,919
2050	£297,935	£148,968		£148,968	£85,124			£553,309	£170,249			£1,404,552	£319,216