

Contributions

The **Contributions** row shows the **amount of money added to the maintenance fund** each year to ensure all planned expenses are covered.

It is calculated based on the difference between the fund’s expected needs and what the fund can generate itself through interest, after accounting for taxes, fees, and any manual adjustments.

How it’s calculated

Contributions are determined using the following formula:

$$\text{Contributions} = \text{Accruals} - \text{Net Interest} + \text{Fees and Charges} + \text{Contribution Adjustments}$$

Where:

- **Accruals** – the total amount provisioned for all planned expenses in the year
- **Net Interest** – interest earned on the fund after taxes
- **Fees and Charges** – bank or administrative fees
- **Contribution Adjustments** – any manual changes made to contributions

Key points

- Contributions **ensure the fund remains sufficient** to pay for all planned expenses.
- If interest earned and existing balances are enough, contributions may be smaller.
- Manual adjustments allow you to **increase or decrease contributions** based on organisational requirements or cashflow constraints.

Example

Item	Amount
Accruals (provisioned maintenance)	\$5,000
Net Interest	\$734.40
Fees and Charges	\$50

Item	Amount
Contribution Adjustments	\$100
Contributions	\$4,415

- In this example, the contributions of **\$4,415** ensure that the fund can cover the \$5,000 of planned expenses after taking into account net interest and fees.
- Changing planned expenses, fees, interest rates, or adjustments will automatically update contributions.

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