



Reserve Policy

Statement of intent

We recognise that planning and financial management are important for the future security of our setting. A reserve policy will assist committee members when planning and explaining their approach to family members.

Aim

1. To ensure that we can provide a consistent level of service protecting against unforeseen losses to income or increases in expenses.
2. To ensure that our liabilities can be met should our setting need to close.

Method

We hold regular committee meetings to make decisions about the current and future management of the setting.

At each meeting of the committee the Treasurer shall normally present an up to date statement of accounts. All decisions made by the committee should be made in view of the current financial situation of the setting and required reserves.

We will aim to maintain a general fund **reserve of at least £17500.**

The committee will annually review this reserve level to ensure that it will meet the following:

- Statutory redundancy liability for all staff.
- Pay for the notice period required to be given to staff.
- Outstanding holiday pay entitlement for staff.
- Outstanding bills such as premises rent.
- Repayment of Flexible Funding Entitlement for sessions not provided.
- Emergency relocating expenditure.

We will publish this policy in our annual report as is legally required by the Charity Commission.

This policy was adopted at a meeting of

St James' Preschool (Petts Wood)

Held on (date)

Signed on behalf of the management Committee

Role of signatory (e.g. chairperson etc.)

Chairperson