



Hail Weston Pre-School, The Village Hall, High Street, Hail Weston, Cambs. PE19 5JS, Tel: 01480 214574

Reserves Policy

Policy Statement

It is important for the effective running of Hail Weston Pre-school Activity Group (HWPAG) that there is sufficient money in the bank to cover all possible expenses that may occur either predicted or unexpected.

This policy sets out the objective of HWPAG and how the size of the reserve is estimated.

Procedure

The recommended level (Pre-school Learning Alliance and Charities Commission) is to have in reserve enough cash in hand for 6 months operating costs which would cover expenses, for instance if we were forced to close or other unexpected event, such as:-

- Redundancy costs
- Building reparation costs
- Liabilities for any unpaid bills
- Liability for rent in any notice period
- Disposal of materials and equipment
- Liability for any uninsured claims against us
- Possible resettlement to a new location
- Possibly recruiting new staff
- Replacement of any uninsured equipment

This list is not necessarily fully inclusive, any or all of these events might occur or any others we cannot predict.

It is impossible to accurately predict what costs or events might occur but HWPAG takes the advice of the PLA and aims to retain in a reserve account the equivalent of 6 months operating costs which can be seen in the year end accounts. The amount of reserve is re-assessed on an annual basis.

This policy was adopted at a committee meeting of HAIL WESTON PRE-SCHOOL ACTIVITY GROUP held on January 2020

Date to be reviewed: January 2021

Signed on behalf of the Management Committee:.

Lizzie Spear

Signatory:.....

Role of signatory: Chairperson