



Policies

RESERVES POLICY

Policy Statement

Hatch Warren Under Fives and Kempshott Under Fives Preschool, will hereafter be referred to as the "Preschool".

It is important for the Preschool to have an appropriate level of reserves in place for potential future expenditure. However, we recognise that as a charity, we need to balance this with our duty to spend our income on charitable activity to further the aims and objectives of the preschool.

Procedures

We have a clear Reserves Policy in place:

- The Committee carries out a regular assessment of the preschool's needs to determine the amount of reserves required.
- The current level of reserves takes into account the following:
 - Three months' running costs of the preschool.
 - Potential loss of income due to any fluctuation in numbers of children attending preschool.
 - Potential staff redundancy payments.
- The reserve funds are held in a separate Preschool business reserve account.
- The amount is regularly monitored by the Committee to reflect any necessary changes to the required level of reserves.

This policy was adopted at a meeting of the Preschool held on:

Signed on behalf of the Preschool _____