**Administration – 6.4 Reserve Fund Policy**

**Table of contents**

Policy Statement ……………………………………………………………………………......................…………….1

Procedures..............................................................................................................................1

**Policy Statement**

In order to plan for the future, Little Apples has in place a contingency reserve fund, to assist with closure, or any unforeseen difficulty.

**Procedures**

The Committee have set a reserves policy which requires:

* Reserves be maintained at a level which ensures that Little Apples, organisation's core activity could continue during a period of unforeseen difficulty, for example late grant, drop in children's numbers, or closure.
* A proportion of reserves be maintained in a readily realisable form.

The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle.

It takes into account:

* Risks associated with each stream of income and expenditure being different from that budgeted
* Planned activity level
* Organisation's commitments

Based on this, The Committee have set the reserve fund at £76,000.00. The current reserve level meets this requirement.

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| **This policy was adopted by Little Apples of Bramley** |
| **On 6th September 2021** |
| **Date to be reviewed** |
| **Signed on behalf of the management committee *J V Whatley*** |
| **Name of signatory J V Whatley** |
| **Role of signatory Manager** |