# STRATTON PLAYGROUP

# 11 Reserves policy 2023-2024

**General**

It is a requirement of the Charity Commission that charitable groups have a policy on the level of reserves and that they maintain a reserve budget.

Our budget must allow for an emergency contingency fund, for such things as unexpected redundancies, emergency repairs, etc. The amount must be agreed by the committee.

As the level of financial activity changes, the size of the contingency fund will also need to change. To deal with this, the contingency fund must be set as a number of months’ expenditure (rather than a fixed sum).

The Redundancy Fund has been set at …**£14,400**... (Figures correct at Oct-23).

The contingency fund has been set at …**ONE**… term’s expenditure, which is currently approx.…**£2,950**..., plus …**£5,000**... for essential, urgent emergency costs.

Therefore, in this academic year …**2023**… to …**2024**…, ….£**22,350**... needs to be held.

**Changes to this policy**

Changes to this policy can only be made by the management committee of the playgroup.

This policy was adopted at an open committee meeting of Stratton Playgroup

Held on

**09/11/2023**

Signed on behalf of the committee