



5.10 Financial and Reserves policy

This policy was adopted at the meeting of Little Thetford Acorns Pre-school and Children's Club. Staff failure to comply with this policy may be considered serious enough to result in the induction of disciplinary procedures.

Date of adoption	May 2018
Reviewed	September 2021
Signed (<i>on behalf of the management committee</i>)	
Name of signatory	Kate Hilton
Role of signatory	Chair
This policy will be reviewed	Annually
Date of next review	September 2022

Policy Statement

This policy is to ensure the viability of the setting through sound financial planning and practice, adhering to best practice accounting procedures.

Procedures

- The treasurer of Little Thetford Acorns will ensure the following are available to committee and staff
 - i) Weekly – balance of the setting’s bank account
 - ii) Monthly – account balance after bank reconciliation.
 - iii) Duplicate bank statements to show correlation with monthly accounts sheet.
Term forecast sheet updated from predicted to actual figures.
 - iv) End of term – accounts balance c/f. Breakdown of all unrestricted income (fees, funding, donations etc). Term forecast sheet updated to show actual figures to end of term and balance c/f. Predicted income and expenditure for following term.
 - v) Annually – end of year accounts to show breakdown of income and expenditure summary of profit and loss (plus comparison with previous years). Balance c/f (minus any uncleared items). Predicted budget for the coming year.

- Little Thetford Acorns aims to have sufficient funds (reserves) in their bank account at the end of each term to cover basic running costs for the beginning of the next term (ideally 3 - 4 months). Little Thetford Acorns is a registered charity, and a non - profit making organisation, so any funds carried forward each year should only be sufficient to cover running costs on a term by term basis. Any surplus must be used for maintaining and purchasing equipment and providing activities for the children attending the pre-school.

- Grants/funding received from various organisations which are for specific running costs (eg forest school, staff training) to be shown as such on the accounts (i.e restricted funds).