



Christ the King site (registered office):
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Play • Learn • Grow

Safeguarding and Welfare Requirement: Information and Records

Providers must maintain records and obtain and share information to ensure the safe and efficient management of the setting, and to help ensure the needs of all children are met.

Reserves Policy

Charity funds can be defined as *restricted* or *unrestricted*:

Restricted Funds

Money received through grants or specific fundraising are *restricted funds* and can only legally be used for the particular purpose or project that the donor provided them for. Restricted funds will need to be accounted for separately to ensure that they are not accidentally used for another purpose. Occasionally, there is a time lag between the receipt of these funds and the related expenditure, thereby resulting in Pre-school holding the funds until payment is made.

The only restricted fund currently held is money specifically raised for the Crossways building which is yet to be spent.

Unrestricted Funds

Funds received from other sources of income (for example, payments for childcare places, or general fundraising), will generally be *unrestricted funds* and may be used as and when required, as costs become due. From the unrestricted funds we have set aside some money, called *designated funds* for specific purposes outlined in the section below. Any remaining funds are our *reserves* or *working capital*, which are freely available to spend on any of the charity's activities.

Income levels vary during the year, but expenditure levels remain relatively constant throughout. Income is at its lowest during the autumn term rising during the spring to its highest level in the summer term, this is due to the availability of grant funding. The Trustees consider it prudent that between 2 and 3 months administration and support costs should be kept in reserve. This level will ensure we have adequate resources to cover our outgoings whilst income is at its lowest level during the autumn term and to provide a suitable level of protection against delayed or late payments. The Trustees will monitor and review this reserve level with reference to income forecasts and changes in funding on an annual basis to ensure that

it continues to meet the needs of the Pre-school and that it is balanced this with our responsibility to spend our income on promoting our charitable objectives.

Designated funds are amounts specifically excluded from being used to meet the day-to-day running costs of the Pre-school. Designated Funds currently held:

1. General fundraising: these funds are spent at the discretion of the trustees to provide additional resources or pay for special events outside the normal running costs of the preschool.
2. Freehold property repair and replacement: to cover repair and/or eventual replacement of the portable building at Christ the King School which does not have a “long” life. If required, this fund may also cover the cost of renegotiating the lease for the Christ the King site. This fund is built up by regular transfers from working capital.
3. Crossways sinking fund: to cover costs not borne by South Gloucestershire Council in provision of the leased Crossways building, or to meet any costs associated with negotiating Crossways lease rent reviews. The establishment of this fund forms part of the lease agreement and is built up by regular transfers from working capital until a cap is reached as determined by the lease agreement.

The Trustees will review this reserve level on an annual basis to ensure that it continues to meet the needs of the Pre-school this is done in the budget setting.

This policy was adopted at a meeting of	First Step Pre School Committee	name of setting
Held on	21/11/2018	(date)
Date to be reviewed		(date)
Signed on behalf of the management committee	Signed copy can be viewed at Pre School	
Name of signatory	Signed copy can be viewed at Pre School	
Role of signatory (e.g. chair/owner)	Signed copy can be viewed at Pre School	