



## SEVENOAKS DAY NURSERY

### **SDN Reserves Policy**

We believe it is in the best interests of the Charity that reserves be held for the following purposes:-

1. To provide working capital for the day-to-day operation of the nursery
2. To provide for our statutory obligations in the unlikely event of closure
3. To provide funds for the future accommodation of the Nursery

#### **1. Working Capital Reserve**

Funds for this purpose should not exceed an average of one calendar month's cash outgoings. At the date this policy was amended, this amounted to £45,000.

#### **2. Closure Reserve**

Funds should be held in reserve to cover our statutory obligations in the event of closure. At the date this policy was last amended the only known obligation was redundancy pay which would amount to no more than £67,500.

#### **3. Accommodation Reserve**

Our buildings have an expected life of 25 years. We use some of our excess funds every year to provide a reserve from which rebuilding costs may be withdrawn at a future date.

This policy was adopted at a meeting of the Trustees of Sevenoaks Day Nursery CIO on 1<sup>st</sup> August 2019 and amended in April 2025.

Stephanie Jenkinson  
Chair