



Great Horwood
Parish Council

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EARMARKED FINANCIAL RESERVES POLICY – HORWODE PECE

This Earmarked Financial Reserves Policy was adopted by the Council at its Meeting held on 24 May 2021

Policy Statement

Great Horwood Parish Council resolved to adopt its Financial Reserves Policy on 9 March 2020. That Policy sets out the basis for General and Earmarked reserves. The purpose of this Policy is to establish the basis for an Earmarked reserve for the maintenance of Horwode Pece.

The purpose of this reserve

At the meeting of Great Horwood Parish Council on 10 March 2008 a motion was proposed that the Parish Council would financially support the Pece especially in the areas of insurance and maintenance. The motion was carried unanimously by the Council. Accordingly funds have been allocated each year for this purpose. The Chairman of the Horwode Pece Management Committee provides an estimate of the budget for the following year to inform the budget setting process for the Parish Council.

As well as being used for running costs for the Pece, this reserve can be used to build up funds for future planned capital expenditure such as on new equipment or replacement or replenishment of the safety surface.

How and when the reserve can be used

The reserve can be used in payment for all invoices for approved expenditure on the running costs and maintenance of the Pece.

Procedures for the management and control of the reserve

The Parish Council will maintain a separate, dedicated bank account for the management of this reserve.

At the beginning of each financial year the amount for the Pece set out in the approved budget will be transferred to the Pece account.

All expenditure from the reserve must be approved by resolution of the full Parish Council.

The Clerk will keep separate records of all income and expenditure from the account as well as copies of the invoices.

Review of the reserve to ensure continuing relevance and adequacy

The level of this earmarked reserve will be reviewed as part of the annual budget preparation, drawing on the estimate provided by the Chairman of the Horwode Pece Management. Consideration will be given to any requirement to build up funds for a future anticipated need.

Should the review conclude that there is an over-provision of funds, the excess may on the approval of the Council be transferred to other budget headings within the revenue budget or to General Reserves or to one or more Earmarked Reserves.

At the current time, given the Parish Council's agreement to provide funds for the Maintenance of the Pece, it is not anticipated that the reserve will cease to be relevant.