



Reserves Policy.

The Management Committee is responsible for the Pre-school finances.

To ensure good practice in the financial management of the preschool at least one term (three months) expenses are to be held in a reserve account. We are working towards holding in a separate account the reserve of three month's wages and three month's rent to allow for any problems with cash flow, i.e., late payment of the FEEE. This amount should also reflect the amount of redundancy due to all staff should the pre-school need to close.

This amount to be £50,000. This is to be used in emergencies only.

This policy will be reviewed regularly to ensure the amount held is appropriate to the preschools current operational expenses.

**This policy was adopted at an Under5s AGM meeting held
on.....14.5.2018.....date**

**Signed on behalf of the Pre-schoolChair
person.**