



51- 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 (Six months) expenses are to be held in a reserve account. We are working towards holding in a separate account the reserve of six months running core costs. This amount should also reflect the amount of redundancy due to all staff should the pre-school need to close. Please see table below to allow for any problems with cash flow, i.e., late payment of the FEEE

The total amount will be £105,000 (this figure allows for any wage increases that may take place) of which £85,000 will be in the Reserves account and a further £20,000 will be left in the current account as a buffer in case the local authority is late in paying the FEEE.

	Monthly figure		6 monthly figures
Total Salaries include Pension, Tax & NI	£13,608.55	6	£81,651.30
Consumables	£6.00	0	£36.00
Photocopier	£50.00	6	£300.00
Telephone	£51.00	6	£306.00
Furniture & Equipment	£0.00	0	£0.00
Rent	£1,375.00	6	£8,250.00
Insurance	£90.00	6	£540.00
Repair & Maintenance	£0.00	0	£0.00
Staff Training	£0.00	0	£0.00
Staff DBS Checks	£26.00	12	£312.00
Publications & Subscriptions	£40.00	6	£240.00
Bank Charges	£20.00	6	£120.00
Computer Charges	£40.00	6	£240.00
Payroll & Finance charges	£80.00	6	£480.00
	£15,386.55		£92,475.30



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 committee meeting 06th November 2023 (date)

Signed on behalf of the Pre-schoolChair person.