**Principle**

Occasionally Little Buds will have to make some payments by cash. Petty cash will be needed by the staff team for making smaller purchases of sundry items for seasonal activities, cleaning items, snack items and some resources. These should be made from the petty cash float.

**Policy**

A policy on Petty Cash has been implemented within Little Buds to ensure management and staff are aware of their authority for spend within the setting.

**Procedure**

The Management Team has set a Petty Cash Policy which requires:

* Petty cash be maintained at a level of £100 for the playgroup.
* A record of petty cash spent with receipts will be required for each occasion petty cash is used.
* Petty cash will be reconciled on a monthly basis.
* Petty cash activity will be reported at each committee meeting.

The calculation of the required level of petty cash is an integral part of the planning, budget and forecast cycle. It takes into account:

* Level of income and expenditure.
* Planned activity level.
* Little Buds commitments to beneficiaries.

Monitoring

This policy will be reviewed annually by the management team to ensure it remains fit for purpose.

This policy was adopted by Little Buds management team.

Signed: …………………………………………………………………………………..

(on behalf of the management team)

Position: …………………………………………………………………………………..

Date: …………………………………………………………………………………..

Reviewed on:

Date: ……………………… Signed: …………………………………………..

Date: ……………………… Signed: …………………………………………..

Date: ……………………… Signed: …………………………………………..