



## Reserves Policy 2019 Waterford Sustainable Living Initiative

The Waterford Sustainable Living Initiative acknowledges the need for reserves while at the same time recognising the difficulty of building reserves as a mostly grant-funded organisation. Since we do not, at this time, make expenditures unless they have already been approved by a funder, we will only hold reserves to cover the following exigencies:

- To fund capital expenses such as computers and other essential office equipment not normally covered by grants;
- To fund shortfalls in income resulting from delayed disbursement of grants;
- To cover expenditure in the event of reduced income or changes in circumstances.

Further we stipulate the following:

- We are not to accrue funds for the Reserve from our grant income.
- Any grant funds that we do not use for their specified purpose are to be returned to the funder at the time of final reporting.
- As it is difficult for an entirely grant funded organisation to 'save' money for reserves we have arranged for an over-draft facility with our financial institution which will cover SLI in the event of a period of financial instability while we work toward the long-term goal of having contingency reserves in place (€15,000).
- Any work that is outside our grant funded activities, for which we charge a nominal amount, will be added to the reserves account. Additionally, we will provide a mechanism for SLI users/followers to provide voluntary donations towards our work. These funds will serve as the base of our reserves which we will build up over time.
- We will continue to investigate innovative methods by which raise funds for the SLI's Reserve Fund.

Therefore,

A formal policy on reserves was agreed at the March 2019 meeting of the Waterford Sustainable Living Initiative's Management Committee.

It states the following,

The Management Committee has set a Reserves Policy which states:

- Reserves be maintained at a level which ensures that the Waterford Sustainable Living Initiative's core activities could continue during a period of unforeseen difficulty.
- The goal of the Reserves Policy is to hold a 3-month reserve (€15,000). The Management Committee acknowledges that the Waterford Sustainable Living Initiative will not be in a position to carry those reserves in the immediate future.
- Planning for reserves is to be an integral part of the Waterford Sustainable Living Initiative's planning, budget and forecast cycle.
- The Waterford Sustainable Living Initiative will actively pursue non-grant funded options for building reserves to the above specified amount including but not limited to seeking out funders that allow for a percentage taken for reserves, donations, advertising and non-grant funded facilitation.
- Reserves are to be kept in a dedicated sub-account of the Waterford Sustainable Living Initiative's primary bank account.
- This policy is to be reviewed annually.

Adopted by Management Committee

March 2019