



IRISH THEATRE INSTITUTE

creating opportunities abroad **strengthening resources at home**

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Reserves Policy

ITI implements a reserves policy to build and maintain an adequate level of unrestricted reserves / net assets to support the organisation's financial viability beyond the immediate future to enable it to provide reliable activities and programmes, across the island of Ireland.

The Reserve Fund:

- Is funded with surplus unrestricted operating funds
- defined as a designated fund set aside by action of the Board of Directors
- maintained at a level which ensures Irish Theatre Institute CLG's core activities can continue during a period of unforeseen difficulty, for between three to six months.
- A proportion of reserves are maintained in a readily realisable form.
- Is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap

This Reserve Fund takes into account:

- Risks associated with income and expenditure being different from that budgeted.
- Planned activity level and potential opportunities.
- The organisation's contractual commitments.
- The cost associated with potentially having to make staff redundant in an emergency situation.

The calculation of the required level of reserves will be an integral part of the organisation's annual planning, budget and forecast cycle in the forthcoming year. The level of reserves will be kept under constant review through ongoing financial reporting and production of annual audited accounts.

Reserves may be used for one-time, non-recurring expenses as identified by the Board of Directors. The Board of Directors may also, from time to time, direct a specific source of revenue be set aside for operating reserves, examples include one-time gifts, bequests, or special appeals. ITI intends operating reserves to be used and replenished within a reasonable period.

ITI's level of reserves will be kept under constant review by the board through ongoing financial reporting and production of annual audited accounts.

This policy will be reviewed by the Board annually.