STANDARD OPERATING PROCEDURE

ICAR Reserve Policy Statement (RPS)

Doc number	02_ADM_0008
Author	Martin Burke, CE
Date	12th October 2021
Peer-reviewer	Finance Committee
Latest review date	12th October 2021

PURPOSE

PURPOSE OF RESERVE POLICY STATEMENT (RPS)

The Board has set this reserve policy which requires:

- Reserves be maintained at a level which ensures that ICAR's activity could continue during a period of unforeseen difficulty.
- A proportion and level of reserves to be set and be maintained in a readily realisable form.

SCOPE

ICAR Board, ICAR CE, ICAR Finance Committee, ICAR Admin Staff.

TERMS & DEFINITIONS

FC – ICAR Board's Financial Committee

RESPONSIBILITIES

ICAR Board – to review and endorse the Reserve Level each year as proposed by the FC
FC – implement this SOP, determine the annual Reserve Level, submit it to the ICAR Board

CE – to provide the financial reports, information and recommend reserve levels to FC
Admin - to assist CE to provide the financial reports, information for reserve levels

PROCEDURE

The calculation of the required level of reserves is an integral part of ICAR's annual planning, budget and forecast cycle.

It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted.
- Planned activity level.
- Any other ICAR commitments.

The Finance committee will review the reserve policy annually.

The ICAR reserve target shall be 6 months operating cost with 3 months readily available in liquid form.

REFERENCE DOCUMENTS

Annex A1 – Reserve target
02_ADM_0002 Budget Submittal and Approval
02_ADM_0003 Day-to-day bookkeeping and reporting process

02_ADM_0007 ICAR Investment Policy