

OH RESERVES POLICY

1. PURPOSE

The policy serves to:-

- 1.1 Provide OH with a procedure to appropriately set and use reserves (if any) so as achieve the goals of accountability and transparency in its operations.

2. APPLICABILITY

The policy is applicable to:-

- 2.1 All persons in a position of trust, including board members, officers, members of a committee with board delegated powers, and employees of OH.

3. RESERVES DEFINED

- 3.1 Reserves refer to the part of OH's income funds that is freely available for its operating purposes not subject to commitments, planned expenditure and spending limits. Reserves do not include endowment funds, restricted funds and designated funds.

4. RESERVES POLICY

Section 1: Need for reserves

- 4.1 To manage an orderly wind down of the organisation if need be.

Section 2: Establishment and maintainance of reserves

- 4.2 The reserve will be set as 6 months operational costs.
- 4.3 The reserve will be established after the first year of operation

Section 3: Monitoring and use of reserves

- 4.4 A financial statement, showing the reserves should be prepared at least once a year with the annual budget.

5. Review

- 5.1 This policy shall be reviewed by the Board on an annual basis, normally at the first board meeting of a new financial year but with the aim of reporting it as part of monthly financial updates.
- 3.2 The Board reserves the right to call for review of this policy any point in time, should reasonable changes need to be made the policy in review due to circumstances.