PREPARE FOR SETBACKS

Rainy-day reserve planner

Name _____ **Business** _____ **Date** _____

You will finish with
A reserve target in rands, a regular amount to save, and a list of when you may use the money.

1. Add up your essential monthly costs

Essential costs (costs you must pay to keep trading, even in a slow month), such as rent, wages, key supplier accounts, electricity and transport. Do not include upgrades or personal spending.

Essential cost	Amount per month (R)
e.g. Rent	2 500
e.g. Main supplier account	4 000
Total essential costs per month	

2. Set your reserve target

A **rainy-day reserve** (money kept aside, separate from everyday money, only for emergencies and slow months). A common target is 1–3 months of essential costs. If that is too big, start with 1 month, or even 1 week.

Total essential costs × number of months = Reserve target (e.g. R8 000 × 2 = R16 000)

Reserve target - Amount already saved = Amount still to save (e.g. R16 000 - R2 000 = R14 000)

3. Plan how you will build it

My regular amount and when (e.g. R500 every Friday, or 5% of each job payment)

Amount still to save ÷ Regular amount = Weeks or months to reach the target (e.g. R14 000 ÷ R500 = 28 weeks)

This resource is for educational purposes only. It is not tax, legal or financial advice. Rules and requirements can differ by business type and location. Check with the relevant authority or a qualified adviser for your situation.

Where I will keep it, separate from spending money (e.g. bank savings pocket named "Business reserve")

_____

Before you move money

1. Do not move money you already need for wages, tax or suppliers.
2. In a tight month, save a smaller amount. Do not skip.

4. Decide when you may use it

Tick the situations where you may use the reserve. Anything not ticked must wait.

- **CHECKLIST**
  - ☐ Slow sales month, to pay essential costs
  - ☐ A customer pays late, to pay suppliers or wages
  - ☐ Urgent repair to equipment or a vehicle that stops income
  - ☐ Stock shortage that would stop work
  - ☐ Short closure, or a short time when I cannot work
  - ☐ Other: _____

- **WARNING**

Do not use it for

Upgrades after a good month, routine stock you could have budgeted for, personal spending, or costs that insurance should cover.

First transfer

Amount (e.g. R500) _____

Date _____

When to redo this

Check once a month that the reserve is growing. Redo sections 1 and 2 when rent, wages or other essential costs change, so your target stays right.

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