Wimbledon Society

working for the future, protecting the past

Policy document	
Title	**The Wimbledon Society (The Society) INVESTMENT POLICY**
Approved by	Trustee Board
Date approved	April 2024
Review date	2025

Considerations

The Society has the power to invest funds under clause 6 of its articles of Association. The finance committee reviews The Society's investments annually and makes recommendations to the Board.

Currently the Society has investments in BlackRock BLK Charities UK Equity Fund A Accumulating and CCLA COIF Charities Investment fund income units. Both these funds invest in a diversified range of assets.

Our investment objectives are to achieve growth and income. We aim to generate sustainable returns that allow us to achieve our charitable objectives while protecting the capital value of our investments.

The trustees consider that advice should be taken from investment professionals where possible. The finance committee reviews the investments annually taking into consideration The Society's cash requirements.

Currently The Society has the following restricted funds:

St Andrews Society
Wimbledon Literary and Scientific Society
Wimbledon Community Trust
Wimbledon & District Nursing and Midwifery

Appendix – relevant extracts from Charity Commission guidance

Section B - Executive Summary

The purpose of financial investment is to yield the best financial return within the level of risk considered to be acceptable - this return can then be spent on the charity's aims.

In order to act within the law, trustees must:

- know, and act within, their charity's powers to invest
- exercise care and skill when making investment decisions
- select investments that are right for their charity. This means taking account of:
    - how suitable any investment is for the charity
    - the need to diversify investments
- take advice from someone experienced in investment matters unless they have good reason for not doing so
- follow certain legal requirements if they are going to use someone to manage investments on their behalf
- review investments from time to time
- explain their investment policy (if they have one) in the trustees' annual report

We also recommend that trustees should:

- decide on the overall investment policy and objectives for the charity
- agree the balance between risk and return that is right for their charity. This may include a wide range of factors that will impact on return including environmental, social and governance factors.
- have regard to other factors that will influence the level of return, such as the environmental and social impact of the companies invested in and the quality of their governance
- be aware that some investments may have tax implications for the charity
- invest any permanently endowed funds in a way that helps them to meet their short and long-term aims
- decide whether to adopt an ethical, socially responsible or mission related approach to investment and ensure that it can be justified.

C2 - What is the trustees' role when making financial investment decisions?

Trustees must:

- use their skills and knowledge in a way that is reasonable in the circumstances ('the duty of care'). For example, a trustee with investment experience should draw on his or her skills and knowledge of investments when making decisions

- consider how suitable any investment is for their charity. Trustees must be satisfied that:
    - an investment type or class is appropriate for the charity (for example, shares)
    - the investment within that type or class is appropriate for the charity (for example, shares in a specific bank)
- consider the need to diversify investments (for example, owning shares in a number of different companies)
- take advice from someone experienced in investment matters where they consider they need it; and
- review investments (and their investment manager) from time to time, changing them if necessary.

D1 How should a charity set its investment objectives?

For example, they may want to consider:

- immediate financial needs - for example, cash required for use in the near future that needs to be sufficient and easily accessible
- future spending commitments - they should be satisfied that there is sufficient cash available to meet these needs
- whether the charity has restricted funds - this means that there are limitations on how the funds can be used
- longer term organisational objectives - for example, projects, initiatives, changes in strategy or other spending that the charity is planning and how they will be resourced
- past patterns of expenditure and anticipated demand for the charity's support as an indication of future trends
- unplanned changes in activity or events that may impact on the charity. This includes the wider economic and financial outlook - for example, the likelihood of inflation or deflation, or changes in interest rates

The trustees should then be able to identify funds that:

- need to be available on instant access
- can be used for short term investment
- they can afford to tie up for longer periods of time
- will be used to react to unplanned events

D3 What should an investment policy cover?

The short answer

A charity's investment policy should set out in writing what its investment objectives are and how it intends to achieve them.

In more detail

A charity's investment policy will usually include the following information:

- the scope of its investment powers (see C1)
- the charity's investment objectives (see D1)
- the charity's attitude to risk (see D2)
- how much is available for investment, timing of returns and the charity's liquidity needs
- the types of investment it wants to make, this might include ethical considerations (see C3)
- who can take investment decisions (for example, trustees, an executive, an investment adviser or manager)
- how investments will be managed and benchmarks and targets set by which performance will be judged
- reporting requirements for investment managers.