



Investment & Reserves Policy

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Contents

1 INTRODUCTION..... 3

2 BACKGROUND..... 3

3 INVESTMENT OBJECTIVES..... 3

4 MITIGATING RISK 3

5 TIME HORIZON 4

6 MANAGEMENT REPORTING AND MONITORING..... 4

7 APPROVAL AND REVIEW 4

1 INTRODUCTION

- 1.1 Wiltshire Tennis CIO's Investment & Reserves Policy acts as a framework for:
 - Making investment decisions
 - Helping the Board of Trustees to manage resources effectively
 - Demonstrating that Wiltshire Tennis is meeting its governance responsibilities.
- 1.2 The Board of Trustees is responsible for the Investment & Reserves Policy and have delegated its implementation, operation and the monitoring of all funds to the Finance & Audit Committee.
- 1.3 This policy will be of interest to everyone involved with Wiltshire Tennis, including:
 - Board of Trustees
 - Finance & Audit Committee
 - Executive and other Committees
 - Our Members and Stakeholders
 - The Charity Commission.

2 BACKGROUND

- 2.1 Wiltshire Tennis is a Charitable Incorporated Organisation (CIO), registered with the Charities Commission on 8th August 2024 to promote community participation in healthy recreation for those living and working in Wiltshire by the provision of facilities for playing tennis.
- 2.2 The financial objective of Wiltshire Tennis is to at least maintain:
 - Two years' operating costs, say, £220,000
 - Reserves that allow growth to generate a stable and sustainable return to fund grant, bursary and loan funding activities, say, £125,000.
 - Support for the long-term health of the sport and manage unforeseen events and financial uncertainty
- 2.3 Wiltshire Tennis' assets are "liquid" and has no fixed assets, such as property.
- 2.4 Each year Wiltshire Tennis aims to distribute grants and bursaries of about £20,000 but this could vary depending on demand and available funds.
- 2.5 Annually, interest free unsecured loans, up to a maximum amount of £10,000, are available to our Members (Clubs).

3 INVESTMENT OBJECTIVES

- 3.1 Wiltshire Tennis seeks to produce the best financial return with an acceptable level of risk (see section 4).
- 3.2 Allocation of Funds
 - 3.2.1 Sufficient funds to be maintained within Wiltshire Tennis' bank current account to ensure that there is no interruption to the day-to-day operational cash liquidity requirements. This amount needs to be based on the annual agreed budget and the forecast cashflow during the year.
 - 3.2.2 Funds sufficient to meet unexpected expenditure held on a short-term withdrawal basis but able to earn interest at a competitive rate.
 - 3.2.3 Reserves, which are not immediately required, but can be invested with the objective of generating a return above what would normally be earned with a UK Bank or Building Society.

4 MITIGATING RISK

- 4.1 Attitude to Risk
 - 4.1.1 Reserves will be invested for the benefit of tennis in Wiltshire. This will be achieved by measures including, helping to finance clubs and coaches via grant and bursary schemes, and provide interest free

unsecured loans to clubs, up to a maximum of £10,000, all with the objective of growing the numbers of individuals of all ages playing and enjoying tennis.

- 4.1.2 To achieve Wiltshire Tennis' investment objectives funds should be utilised to have the potential for modest capital growth and therefore a risk profile of "low to medium" should be exercised. The Risk profile and fund asset performance are to be monitored at least annually.
 - 4.1.3 Assets Wiltshire Tennis' assets can be invested widely to mitigate against any unexpected restrictions or failures, subject to ethical and moral considerations.
 - 4.1.4 Funds held in line with 3b. (i) and (ii) must be kept with UK banks where funds are protected under the "Financial Services Compensation Scheme" (FSCS) up to an amount of £85,000.
 - 4.1.5 Funds held longer term (3b. (iii)) can be held with either a UK Bank/Building Society and/or a Wealth Management organisation which must be authorised and regulated by the "Financial Conduct Authority" (FCA) and where funds are protected under the "Financial Services Compensation Scheme" (FSCS).
- 4.2 Currency
- 4.2.1 The base currency of all funds held is UK Sterling.
- 4.3 Credit
- 4.3.1 Reserves should be deposited with an institution registered with the "Financial Conduct Authority" with an independently assessed high credit rating (minimum rating of A) with monies invested in a range of equities and other markets that meet the level of risk determined as agreed by Wiltshire Tennis.

5 TIME HORIZON

- 5.1 Wiltshire Tennis is expected to exist in perpetuity and investments should be managed to meet the investment objectives and ensure its long-term sustainability.
- 5.2 Wiltshire Tennis can adopt a long-term investment time horizon.

6 MANAGEMENT REPORTING AND MONITORING

- 6.1 The Wiltshire Tennis "Treasurer" is required to monitor all monies on a regular basis and produce a valuation and performance report quarterly (in line with the financial year) for discussion at the Finance & Audit Committee.
 - 6.1.1 For information purposes, the "Finance & Audit Committee" will provide a summary report to the Executive Committee along with Wiltshire Tennis' quarterly accounts.
 - 6.1.2 The Finance & Audit Committee is responsible to and formally report to the Board of Trustees at least twice a year and include details of performance to date and recommendations for any changes to policy or allocation of funds.

7 APPROVAL AND REVIEW

- 7.1 This Investment Policy is agreed by the Board of Trustees to provide a framework for the management of its investment assets. It will be reviewed on an annual basis to ensure continuing appropriateness.