



## **FUNDS MANAGEMENT AND INVESTMENT POLICY**

### **INTRODUCTION**

The Blackdown Support Group is committed to providing affordable and reliable services to assist the people living in the communities of the Blackdown Hills region. To enable this, the Charity requires sufficient ongoing funding to meet its needs in terms of staff salaries and associated costs, the appropriate expenses for volunteers and all general administrative outgoings.

### **OBJECTIVES**

- The Charity should hold sufficient cash in its readily accessible bank accounts to cover immediate needs. This amount to equate to around 6 months of regular expenses.
- One-off lump sums from legacies, donations or similar, together with any surplus above immediate cash requirements should be invested to optimise returns for potential future eventualities.
- The Trustees are required to satisfy the statutory investment obligations under the Trustee Act 2000, and to follow the guidance contained in the Charity Commission's document CC14.

### **INVESTMENT PRINCIPLES**

- The Charity seeks to produce the best financial return within an acceptable level of risk.
- The Charity wishes to maintain the Invested Funds in real terms over the medium to long term (allowing for charges and inflation) whilst generating superior income to that available from cash or cash-like products. This should allow the Invested Funds to maintain their real value as a minimum, whilst contributing to the funding of the Charity's day-to-day objectives.
- The Charity adopts a total return (income and capital growth) approach to investment, although it accepts that the principal source of return will be income. The total return should at least keep pace with the level of inflation over the long term (as measured by the Retail Prices Index excluding mortgages) to ensure the portfolio maintains its purchasing power in real terms.
- In the absence of any qualified Trustee to directly oversee individual investment decisions, the Charity may appoint an approved external Investment Management Company in order to perform this task.

- Any agreement with an Investment Management Company must specify the need to meet the statutory requirements under the Trustee Act 2000, and guidance contained in the Charity Commission's document CC14.
- Performance of the appointed Company shall be checked at regular intervals and results reported at each Trustee Committee meeting.

**Review Date:** January 2025

**Signed by Chairman:** *G. Girling*

**Next Review Date:** January 2026