Charity Number 1142997
Dated: 22nd April 2013
Written by: Steve Roe, Honorary Treasurer

Investment Policy

1. Introduction

a. Malvern Community Forest ('the Charity') is an unincorporated charitable association established by Constitution in 2009.
b. The Charity has approximately £6,000 of assets, which are either held for immediate need or invested to provide an income or used to further the Objects through the purchase of equipment, land or premises.
c. The Charity will diversify investments where they exist, will take advice on investment matters where appropriate and will review investments regularly.

2. Scope of Investment Powers

a. The Charity is governed by a Constitution which specifies a general power of investment by trustees in section 18.1.k.
b. The Charity will set-aside income as a reserve against future expenditure.
c. The Charity will ensure that any Restricted Funds are identified within Annex 1 to this Policy.
    i. *income funds* will be spent at the discretion of the trustees in furtherance of some particular aspect(s) of the Objects of the Charity
    ii. *endowment funds* will be invested, or retained for actual use, rather than spent.

3. Investment Objectives

a. *What the Charity intends to do*: establish community woodland(s), storage and/or education premises
b. *How the Charity will do this:* land-purchase and payment of land-management costs
c. *Timescale:* the majority of assets will need to be available in the short-term in order to cover such expenditure(s).
d. *Ethical considerations:* the Charity will adopt an ethical investment approach, for the following reasons:
    i. Some investments will conflict with the Objects of the Charity
    ii. The Charity may lose Members if investments are not ethical

    The Charity will seek to make investment types, companies, sectors or activities that are reflective or supportive of our values. The Charity will screen-out investments types, companies, sectors or activities that are harmful to our values as indicated in the Objects.
e. The Charity will adopt a total return approach to Financial Investment, generating the investment return from income and capital gains or losses.
f. The Charity will use Financial Investment, Programme Related Investments or Mixed-Motive Investments as appropriate.

4. Risk

a. The Charity recognises that investment is a balance of risk and return.
b. Where investments are made these should grow at least in line with inflation to ensure sustainability.

5. Investment Allocations

a. Annex 2 gives the general allocation of investment assets. Annex 2 combines the Charity's aims relating to investment returns, timing and need for liquidity.

6. Types/Range of Investment assets

a. The Charity will seek to diversify its assets. Investments may include the following:
    i. Interest-bearing cash deposits
    ii. Shares
    iii. Interest bearing loans
    iv. Buildings
    v. Land
    vi. Hedge-funds
    vii. Commodities
    viii. Derivatives

7. **Investment Decisions**
    a. The Charity will consider the expertise level that trustees, members and other supporters have in relation to taking investment decisions.
    b. If appropriate the Charity will take advice from a Investment Advisor or a Discretionary Investment Manager. Such a person will be experienced in investment matters and appropriately licensed or regulated (such as an Independent Financial Adviser). In this case the Charity will take into consideration:
        i. The Charity's skill to manage the particular investment(s)
        ii. The amount of assets committed
        iii. The cost of the appointing an Investment Adviser or Discretionary Investment Manager
    c. All investment decisions will be recommended to the trustees by the Honorary Treasurer and will be approved by a majority vote by trustees.
    d. All decisions relating to investments will be recorded in the Minutes

8. **Management of Investments**
    a. Investments allocations, Restricted Funds and other investment matters will be reviewed at least annually by the trustees.
    b. Reporting requirements for Investment Advisors or Managers will be defined in a formal written contract and will be reported and reviewed at least annually to the trustees.

Approved by the Trustees
Signed:



Michael Goodfellow-Smith; Chair of Trustees
Dated: 22-04-2013

Annex 1: Restricted Funds

Date	Source	Donor or Appeal?	Income or Endowment?	Purpose	Value (£)	Notes
		Donor	Income	Land acquisition	2,000	

Income funds: expendable at the discretion of the trustees in furtherance of some particular aspect(s) of the objects of the Charity
Endowment funds: required to be invested, or retained for actual use, rather than expended

Annex 2: Investment allocations

a) Financial Investments

Restricted Funds allocation	Factors	Investment Vehicle	Value (£)	Expected Return	Notes
Income Funds					
Endowment Funds					

Unrestricted Funds allocation	Factors	Investment Vehicle	Value(£) or Proportion of unrestricted assets	Expected Return	Notes
Instant Access	*Immediate needs* *Cash at hand* *Depreciation/replacement budget*	Co-operative Bank a/c			
Short-term Investments	*Future Spending Commitments* *Long-term operational objectives*				
Long-term Investments	*Future Spending Commitments* *Long-term operational objectives*				

b) Programme Related Investments

Asset allocation	Factors	Investment Vehicle	Value(£) or Proportion of unrestricted assets	Expected Return	Notes

c) Mixed-Motive Investments

Asset allocation	Factors	Investment Vehicle	Value(£) or Proportion of unrestricted assets	Expected Return	Notes