

The Order of Malta Volunteers – Investments Policy
(registered company no. 09801949, registered charity no. 1164242)

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| POLICY REFERENCE | |
| Function | For information and guidance |
| Status | Approved & issued |
| Scope | Trustees |
| Owner | Tim Orchard |
| Version | 2.0 |
| Date approved by board | 11 th December, 2018 |
| Date for review | 11 th December, 2019 |

Introduction

1. According to Charity Commission guidance (“Charity & investment matters: a guide for trustees”), any charity that has investment assets, regardless of size, should have a written investments policy. The management of a charity’s investments should be scrutinised and supervised by a committee established by the charity for that purpose.
2. The financial assets of the Order of Malta Volunteers (“the OMV” or “the Charity”) have been accumulated over many years and function as the Charity’s reserves (“the Reserves”), as set out in the Reserves Policy. The overriding purpose of these Reserves – and thus of the Charity’s Investments Policy – is to ensure that the Charity’s activities continue both by providing both a stream of regular income and by underwriting its fundraising efforts.
3. The Charity will publish this Policy on its website.

The responsibilities of the Trustees

4. The trustees of the Charity (“the Trustees”) are given powers to manage the Reserves and other assets of the Charity, as set out in the Charity’s Articles of Association. The outcomes of the management of the Reserves and the Investments Policy itself should both be reviewed formally once a year by the Trustees and on an *ad hoc* basis at meetings of the Trustees, as appropriate or necessary.
5. As long as the Trustees include among their number people with professional investment expertise, the Charity may consider it reasonable to make use of this expertise in the committee established to manage and oversee the investment of the Charity’s Reserves (“the Investments Committee”). The Investments Committee should report to the Trustees at regular intervals.
6. Neither the Charity’s Articles of Association nor the Terms of Reference of the Board of Trustees preclude direct management by the Charity of its Reserves. Nevertheless, such direct management may create conflicts of interest. The Trustees should therefore consider appointing a specialist investment manager. Alternatively, the Trustees should consider investing the Reserves in pooled investment vehicles, as well as bank deposits.
7. Much of the OMV’s expenditure occurs in foreign currencies, whereas its income is almost entirely in Sterling. The Trustees are unlikely to be able to hedge the resulting exchange rate risk at a reasonable cost. Nevertheless, the Trustees should take this currency mismatch into account when considering the management of the Charity’s Reserves.

8. The Trustees should also ensure that the Reserves are managed in such a way as to maintain at least the real (i.e. inflation-adjusted) value of the Reserves.

Review

9. The Policy owner must keep up to date with relevant legislation and Charity Commission guidance and update this Policy whenever necessary. The Board of Trustees must approve the revised version.
10. The Policy owner must review the Policy annually and either submit a revised policy for approval by the Board of Trustees or confirm in writing to the Chairman of the Board of Trustees that the current version of this Policy is still fit for purpose.
11. The Board of Trustees must formally review and re-approve this Policy every five years.