

# Membury Village Hall Investment Policy

April 2024

Charity Number: 1166182

## Background

Membury Village Hall operates as a charity with Trustees elected at an AGM. The Hall was built in 1886 and was later extended to its current layout including main hall, Committee Room, Kitchen, Toilets and Storeroom. Various improvements have been made over time with solar panels and an outdoor terrace added in recent years. The Hall is a valued asset used by the community for numerous leisure and social activities.

## Hall Management

The Hall is run by a group of volunteer Trustees including a Chair, Treasurer and Secretary. In September 2023 a review was undertaken by the Trustees as to how the Hall should operate in order to identify improvements and to ensure it continues to provide the same valuable service to the community in the years ahead. This included a detailed look at how the Hall is used and how income and costs are managed. Regular Hall users were consulted and representatives from other halls were met to widen our knowledge. Local organisations were consulted for their expertise. Subsequently, changes were introduced to the roles of the Trustees giving them responsibility for key areas related to the Hall including Maintenance and Upkeep, Hall bookings and financial oversight. Hall hire charges were increased, and key decisions were taken as to how the Hall legacy should be managed to ensure the financial stability of the Hall for future generations.

## The Legacy

In 2002, the Hall received a significant financial bequest from Daphne Henniker who lived in the village for many years and left £101,249 to the Hall (this would be worth c.£180,000 at 2024 levels). The terms of the Legacy are for the usage, maintenance, and upkeep of Membury Village Hall. There are no other restrictions on how the funds are spent. However the Constitution of the Charity states *“thus to promote for the benefit of the inhabitants of the Parish of Membury the provision of facilities for recreation, education, or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the conditions of life of the said inhabitants”*

Over the years the trustees have invested this legacy in a fund with the aim of providing a balance of capital growth and income generation.

## Financial Objectives:

During the 2023 review of the Hall, a detailed analysis showed that since October 2006 a total of £92,786 had been withdrawn to help fund the Hall, whilst still maintaining a significant fund value (£136,041 as at October 2023). In addition to these withdrawals, the Hall's costs are covered mainly by letting fees and some grants.

The aim of the Trustees is to grow capital in excess of inflation such that the Legacy can maintain its inflation adjusted value of £136k (as at June 2023). The Trustees wish to generate income to accumulate to benefit from compounding and provide contributions to running costs. Therefore, the Charity's objectives are for the Portfolio to deliver a total return through the generation of natural dividend income (to be paid away at the discretion of the Trustees) to

subsidise the running of the Parish Hall, and Capital Growth ahead of inflation to maintain the purchasing power of the portfolio and to increase the funds available to the Charity. Income is to accumulate for reinvestment where possible.

### **Fund Management:**

Brewin Dolphin have managed the Hall Investments since 2002 when the legacy was gifted to the Hall. Funds are managed on a discretionary fund management basis by Charles Bracher, FCSI, Divisional Director of Brewin Dolphin. There are no other advisors, either internal to the Trustees or external.

### **Responsibility for Investment Policy of the Trust**

All decisions are taken in agreement with the Hall Trustees. Trustees meet bi-monthly and the AGM is held at the end of the Financial Year that runs from October to September. The Chairman, and Treasurer are signatories on behalf of Trustees. Following the Hall Review an additional Trustee has responsibility for Finances and Investments Oversight and is included in the decision-making process related to the Investments.

The Trust is expected to run in perpetuity.

### **Liquidity Requirements**

The Trustees expect to withdraw approximately £2k pa from income rather than from capital. We may from time to time require additional cash, but we would consider this to be an extraordinary event rather than routine.

### **Investment Restrictions**

The Trustees are focused on achieving the return objectives and do not wish to impair performance with restrictions.

### **Counterparties**

There are no counterparties.

### **Ethical**

There are no ethical investment requirements over and above BD standard ethical policies. We require an annually updated ESG report as at 30<sup>th</sup> September.

### **Reporting and Monitoring**

The Trustees require quarterly reporting regarding fund performance and management costs. The fund performance report should include comparisons against appropriate benchmarks. Reports as at 30<sup>th</sup> September and quarterly thereafter, should be sent to the Treasurer, Secretary and Chair.

### **Approval and Review**

This Policy should be reviewed and revised as appropriate ahead of the AGM. The Chair and Treasurer are able to provide instruction on behalf of Trustees.