

Hertfordshire Golf - Investment Policy

Considering the objectives of Hertfordshire Golf Limited (“the Company”) it is unnecessary that a significant cash surplus should be built up. If the Company were to build up a surplus of cash reserves that were not earmarked for other purposes (e.g. provision of additional services or to further the long term strategic objectives) then it would be expected to:

1. Only hold sufficient reserves necessary to maintain financial resilience in the event of adverse operating conditions. This level and its rationale is set out in the separate Reserves Policy.
2. Safely deposit funds within the FSCS protection figure (£85k per bank as of June 2025).
3. Where reserves exceed the maximum level specified in the Reserves Policy, consider whether the use of an independent Financial Advisory Organisation (FAO) for advice regarding investments of surplus funds would be necessary.

Objective

The objective of any investment is to avoid excessive risk and instead look to provide a return in line with inflation if possible (i.e. maintain the purchasing power of any investments).

In choosing accounts, it is paramount that funds can be accessed within a reasonable notice period with 3 months’ average fixed expenditure being held in easy/instant access accounts.

Duration

Any Investments of less than 5 years’ duration should be held in money market or cash instruments. Only funds that have longer investment duration should be open to investment in other asset classes (e.g. fixed interest bonds, commercial property, equities, absolute return funds).

Risk

The Board does not wish to take excessive risk and hence a low level of investment risk is considered appropriate. The Board recognises that in order to generate returns above those available within cash deposits, some level of risk is required.

Where reserves exceed the FSCS protection figure (see above), the investments should be spread appropriately across two or more banking institutions for diversification and risk management.

Scope

Investments should be spread across a diversified portfolio with a preference for ethical investments where available within specific asset classes.

Oversight and Reporting

The Finance Director will be responsible for oversight of the investments and reporting to the Board.

Appointment of an FAO

If the Board decides an FAO is required, the Finance Director together with one other Director will be responsible for recommending an appropriate FAO. The Board will approve any appointment of an FAO to manage the invested funds.

The Board will expect a written report from the FAO on a 6-monthly basis for any investments made and an annual face to face meeting will be required.

The Finance Director together with at least one other Director will be required to meet with the FAO.

Policy Review

The overall responsibility for this policy lies with the Board.

Responsible Person: Finance Director

Reviewed: July 2025

Review: July 2028