



Reserves and investment policy

For review by the Board: by August 2023

1. INTRODUCTION

The Board has a responsibility to manage the assets of Squash SA (SSA) in the best interests of the sport. As part of its approach to risk management, SSA is cognisant of ensuring the organisation is able to operate well into the future where no external funding sources are available or while it secures additional funding to ensure SSA's operation is a going concern.

2. PURPOSE

- 2.1 Reserves are required in the short-term to ensure that SSA has adequate working capital to meet its general business commitments, including those to staff, and to protect SSA against risks such as a fall in the level of its income.
- 2.2 In the longer term, reserves provide strategic financial support to the planning processes of SSA.
- 2.3 Investments include reserves prudently invested to increase the funding available for SSA's activities.

3. SCOPE

- 3.1 This policy covers reserves and investments which SSA may make from unrestricted funds (non-project expenditure).
- 3.2 The provisions covered by reserves will include but not be limited to:
 - 3.2.1 unplanned closure
 - 3.2.2 unforeseen emergency or unplanned but necessary activity
 - 3.2.3 providing a source of income should other grants or sponsorship not materialise
 - 3.2.4 a commitment to provide matching funding where no other source is available
 - 3.2.5 fund short-term deficits where a confirmed grant has not yet been received.
- 3.3 Reserves will *not* include:
 - 3.3.1 tangible fixed assets used to carry out SSA's activities, such as land and buildings
 - 3.3.2 programme-related investments held solely to further SSA's purposes
 - 3.3.3 designated funds set aside to meet essential future spending, such as funding a project that could not be met from future income
 - 3.3.4 commitments that have not been provided for as a liability in the accounts.

4. RESERVES

- 4.1 SSA will ensure it retains unrestricted funds available for operational purposes equivalent to a minimum of 12 months of the value of SSA's annual operational expenditure.
- 4.2 The actual amount of operational costs and the period (six to twelve months) will be approved annually at the time the budget is presented.
- 4.3 SSA may, in addition, retain restricted funds ring-fenced for a particular project which may require a significant capital outlay.

5. INVESTMENT

- 5.1 SSA may invest some or all of its restricted and unrestricted reserves with a registered and reputable financial institution/s.
- 5.2 Any such investment shall take into account the investment period against any necessary payments required against the invested amount and the best interest rate possible against SSA's risk appetite.
- 5.3 All such investments shall be prudently and conservatively made and monitored monthly.
- 5.4 An investment may be split into different financial institutions and/or accounts to spread risk while maximising interest.
- 5.5 The Treasurer and National Officer shall be responsible to recommend investment options to the Board.

6. EFFECTIVE DATE

The policy is effective from 11 August 2021 and will be updated every two years.