

INVESTING CHARITY FUNDS: POLICY AND PROCEDURES

Purpose

1. This policy sets out the principles, responsibilities, and procedures governing the investment of funds held by CRESS in accordance with its charitable objects and the duties of trustees under UK law.

Scope

2. This policy applies to all financial assets held by CRESS for investment purposes, including long term reserves and designated funds. It excludes operating cash held for day to day expenses.

Legal and Regulatory Context

3. This policy complies with:
 - a. The Charities Act 2011
 - b. Charity Commission guidance (e.g. CC14: Charities and investment matters)
 - c. The Trustee Act 2000
 - d. The charity's governing document

Investment Objectives

4. The Trustees are to:
 - a. Preserve capital while generating a reasonable return to support the charity's aims.
 - b. Ensure that funds are invested prudently and responsibly.
 - c. Reflect the charity's ethical values in its investment decisions.
 - d. Maintain sufficient liquidity to meet operational and strategic needs.

Types of Investments Permitted

5. Subject to trustee approval, the charity may invest in:
 - a. Cash and cash equivalents
 - b. Fixed income securities
 - c. Equities
 - d. Pooled investment funds
 - e. Social and programme related investments
6. The charity may also consider investments in accordance with Ethical, Environmental, Social, and Governance (ESG) standards.

Ethical Investment Policy

7. The charity will avoid investments in companies or sectors that conflict with its objects or values, such as:

- a. Tobacco
- b. Armaments
- c. Gambling
- d. Any other sectors as defined by the board

Delegation and Use of Investment Managers

8. The board may delegate investment decisions to a professional fund manager, in accordance with:

- a. The Trustee Act 2000
- b. A written investment management agreement
- c. A clear statement of investment objectives and risk appetite

9. Managers must report regularly on performance, compliance with the policy, and market developments.

Responsibilities

10. Board of Trustees

- a. Set investment policy and objectives
- b. Approve and review the investment strategy
- c. Ensure compliance with legal and fiduciary duties

11. Finance and Investment Subcommittee (if applicable)

- a. Monitor investment performance
- b. Liaise with fund managers
- c. Recommend adjustments to the board

12. Executive Staff

- a. Implement operational aspects of the investment strategy
- b. Liaise with advisers and administrators

Risk Management

13. Investment risks will be managed through:
- a. Diversification across asset classes and sectors
 - b. Periodic rebalancing
 - c. Regular performance and risk reviews
 - d. Holding an appropriate proportion in liquid assets

Monitoring and Reporting

14. Fund performance will be reviewed at least quarterly against benchmarks.
15. An annual investment report will be submitted to the board, including:
- a. Portfolio breakdown
 - b. Returns against objectives
 - c. Ethical and ESG compliance
 - d. Any breaches or concerns

Conflicts of Interest

16. All trustees must declare any conflict of interest in investment decisions. Where a conflict arises, the trustee must withdraw from discussions or decisions as appropriate.

Review and Updates

17. This policy will be reviewed annually or sooner if there is a significant change in:
- a. Market conditions
 - b. Charity's financial position
 - c. Relevant legislation or guidance

CONTACT DETAILS

This policy has been approved and authorised by the Trustees:

Name:	Jeremy Metcalfe OBE
Position:	Chair of the Trustees
Date:	1 June 2025
Signature:	
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Date of Review:	June 2026
Contact:	info@CRESSUK.org