

Investments Policy

2023

Introduction

1. This policy is designed to ensure that the objectives of the Trustees of providing funding for the health and wellbeing of the clergy in the long-term are achieved.
2. An active programme of fundraising is underway to increase the charity's ability to meet its charitable expenditure and annual operating costs.

Investment powers

3. There are no specific restrictions or requirements in the Memorandum and Articles of Association. The Trustees are governed by the Trustee Act 2000 which sets out the general powers of investment.

Investment objective

4. The charity's investment objective is to maximise the total return of the portfolio over the longer term using a balance of capital growth and income with a prudent level of risk and liquidity.

Risk

5. The Trustees have considered the risks inherent in investing a significant proportion of the charity's assets in the stock market. They have considered factors such as diversification, levels of exposure, inflation, currency fluctuation and interest rate movements. The assets of the charity are invested to mitigate these risks. The Trustees consider that the asset allocation strategy used by the investment managers meets the requirements to achieve the overall investment objective. The strategy is reviewed by the Trustees regularly.

Income and liquidity requirements

6. Trust investments are managed on a diversified basis, including equities, to meet the twin aims of capital growth and sustainable income generation.

Management, reporting and monitoring

7. The investment portfolio is managed by the investment company Brewin Dolphin on a discretionary basis. The investment managers provide quarterly narrative and financial reports, and the returns and risk levels of the portfolio are reviewed by the Finance Committee at their four-monthly meetings.

8. Brewin Dolphin provides information quarterly on the investment portfolio as follows: overall valuation, performance summary against linked benchmark, capital appreciation, income received and management fees. The Trustees monitor the performance of the investment portfolio against an appropriate benchmark agreed in advance with the investment managers.
9. The investment managers report to the Finance Committee annually in person, unless the Trustees become concerned about the performance of the portfolio, in which case the investment managers are asked to report in person to the next Finance Committee meeting.

Ethical Investing

10. The Investment Manager does not invest directly in securities but uses collective investment vehicles to achieve the required level of diversification and risk control. As a result, it is impractical for St Luke's to adopt its own ethical investment policy, as the investment manager's choices of collective vehicles would be both restricted and onerous to operate.
11. The Trustees nevertheless wish to ensure that the charity's investments support a positive environmental or social impact as well as achieving the financial returns needed for its charitable activities. The Trustees' policy is therefore only to appoint managers that are signatories of the internationally recognised six Principles for Responsible Investment. The UN Principles for Responsible Investment, as convened by the Secretary-General of the United Nations, were developed by an international group of institutional investors for the purpose of reflecting environmental, social and governance (ESG) issues into their investment practices. Brewin Dolphin, the current investment manager, has confirmed that it is a UNPRI signatory.


Responsibility

12. Overall responsibility for this policy and its implementation lies with the Board of Trustees.

Review

13. This policy is reviewed annually and updated as required.

Approved by the Trustees

Signed 

Chairman

Date 20.3.23

Noted by the Board

20th March 2023

Reference Minute 13