Sussex Catholic Education Trust

INVESTMENT POLICY

Last updated: March 2025

For review: March 2027

The Sussex Catholic Education Trust is registered in England and Wales with charity number 1211602

Table of Contents

1. SCOPE

Our charity will invest in a diversified range of asset classes and regions. We will consider investing in stocks, bonds, property, and other investment vehicles that align with our charitable mission.

2. OBJECTIVES

Our investment objectives are to achieve growth and income. We aim to generate sustainable returns that allow us to achieve our charitable objectives while protecting the capital value of our investments.

3. RISK APPETITE

We recognize that every investment carries risk, and we will manage these risks to ensure that they are commensurate with our objectives and the financial resources available. Our charity's risk appetite is moderate, and we are willing to accept fluctuations in the value of our assets in pursuit of our investment objectives.

4. BALANCING RISK AND RETURN

We will balance risk and return to achieve our investment objectives. We will seek to achieve our investment goals through a mix of low-risk and high-risk investments to achieve a diversified portfolio of investments that suit our needs.

5. AMOUNT AVAILABLE

We will invest our financial resources in line with our objectives, risk appetite, and investment policy. The amount we have available for investment will be reviewed annually, and we will adjust our investment strategy as necessary to ensure that we continue to meet our objectives.

6. TIME HORIZON

Our investment time horizon is long-term, and we aim to invest in funds for the long term. We recognize that investing is a long-term activity that requires a disciplined approach to generate sustainable returns.

7. LIQUIDITY NEEDS

We will ensure that we have sufficient liquidity to meet our financial commitments, including grants and other charitable activities. We will invest in liquid assets and maintain an appropriate level of cash reserves to ensure that we can access our money when we need it.

8. TYPES OF INVESTMENTS

We will consider investing in ethical stocks that align with our charitable mission. We will avoid investing in stocks that go against our charity's aims.

9. DECISION-MAKERS

The Trustees are responsible for making investment decisions, including approving the investment policy, setting investment objectives, and selecting investment managers, if appropriate.

10. KEY PERFORMANCE INDICATORS

We will measure the performance of our investments based on the total return and any other appropriate benchmark. We will review our performance regularly and adjust our investment strategy as necessary.

11. REPORTING REQUIREMENTS

We will publicise our investment performance annually in the interests of openness and transparency.

12. RESPONSIBILITY AND REMIT OF THE INVESTMENT MANAGER

If we engage an investment manager, they will be responsible for implementing our investment strategy, making investment decisions on our behalf, and reporting on investment performance.

13. INVESTMENT MANAGER'S PRINCIPLES

Our investment manager must follow our investment policy and adhere to our ethical standards. They must act in our best interests and manage our investments prudently.

14. RESPONSIBILITY OF THE TRUSTEES

The Trustees have a legal obligation to secure the best financial return within the appropriate level of risk to be spent on the charity's aims. They must take advice, select the right investments, and communicate their decisions appropriately.

15. CHARITY INVESTMENT GOVERNANCE PRINCIPLES

We follow the principles, which are as follows:

- Purpose of investment - legal and practical considerations.
- Leadership - governance, structure and delegation framework.
- Integrity.
  - Avoiding conflicts with our purposes.
  - Avoiding reputational risks.
  - Placing the charity's purposes at the forefront of our investments.
- Decision making - risk and control, including how we work with external providers and our investment policy.
- Effectiveness - recruiting the right trustees.
- Equity, diversity and inclusion.
- Openness and accountability – the information we publish.

16. CONCLUSION

Our investment policy sets out our charity's approach to investing. It is a framework for making investment decisions, managing our financial resources, and meeting our governance responsibilities. We will review our investment policy annually to ensure that it continues to align with our charitable mission and objectives.

17. REGULATORY GUIDANCE

Charity Commission

- Charities and investment matters: a guide for trustees (CC14)
- Charity reporting and accounting: the essentials (CC15b)
- Internal financial controls for charities (CC8)

HMRC

- Annex iii: approved charitable investments and loans