



Christ Church SELLY PARK
making | growing | sending | **disciples of Jesus**

Investment Policy

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1 Preamble

- 1.1 The trustees of Christ Church Selly Park are responsible for the safeguarding of the charity's assets including all financial investments and other financial assets. Any investment decisions will be taken in the best interests of the charity within the context of its charitable purpose.

2 General

- 2.1 Our policy is:
- a. To act within the church's power to invest as set out in its governing documents and charity law;
 - b. To understand and consider investment risks before any investment decision is reached;
 - c. To make investment decisions in accordance with the church's reserves policy;
 - d. To employ the services of professional investment advisors to provide guidance and advice where considered necessary;
 - e. To adopt an ethical approach to all investments;
 - f. To have sufficient liquid assets (cash and current bank accounts) available to meet operational requirements;
 - g. To maintain a balance between investment risk and financial return;
 - h. To ensure that all investment decisions are properly reached by the PCC and properly recorded in the minutes.
- 2.2 Christ Church Selly Park has assessed its overall investment risk profile (see section 4) using recognised criteria. Specific risks are identified, assessed and managed in accordance with the church's risk management policy.
- 2.3 Although the overall responsibility for this policy and all investments rests with the PCC, the day-to-day operational procedures and investment decisions have been delegated to the Finance Committee.
- 2.4 In arriving at this policy, the trustees have taken account of the Charity Commission guidance set out in CC14 – 'Investing charity money: a guide for trustees'.¹

3 Reserves

- 3.1 In accordance with Charity Commission recommendations and after taking into account the church's financial circumstances and other relevant factors, the PCC has a separate reserves policy.
- 3.2 An amount of financial assets equal to the level of agreed reserves will be held in liquid (or near-liquid) form consisting of:
- a. Petty cash in accordance with internal finance procedures;
 - b. Instant access bank/institutional account deposits;
 - c. Bank/institutional account time deposits.

¹ See <https://www.gov.uk/government/publications/charities-and-investment-matters-a-guide-for-trustees-cc14>.

- 3.3 Financial assets in excess of agreed reserves will generally be held in liquid (or near-liquid form) but may be otherwise invested in accordance with the church's risk profile and in line with this policy.

4 Investment Risk Profile

- 4.1 The PCC has considered the following factors:

- a. Risk tolerance;
- b. Requirement for risk;
- c. Capacity for loss;
- d. Time scale.

The PCC's risk profile is 'conservative': we do not have a tolerance or requirement for risk, our capacity for loss is very small and we view investments as short or possibly medium term.

5 Liquid Assets and Time Deposits

- 5.1 Where financial assets are deposited with banks or other organisations, an assessment of the associated risks will be considered, including:

- a. The credit rating of the bank or other institution;
- b. Whether the bank or other institution is included in the financial services compensation scheme (FSCS).

To avoid exchange risk, all deposits will be in sterling.

- 5.2 Where a bank or other institution is used which is not part of the FSCS, this decision and the reasons supporting it should be recorded in the minutes of a PCC meeting.
- 5.3 Where banks/institutions are covered by the FSCS, deposits will generally be limited to the FSCS cap (£85,000 as at 1 August 2023).
- 5.4 The PCC has (and may have) a deposit with The CBF Church of England Deposit Fund (administered by CCLA) which is not covered by the FSCS but has a high credit rating. The PCC accepts the risk of this fund being outside of the FSCS and until such time as this policy is revised specific approval of the PCC is not required to make deposits into this fund subject to a maximum deposit of £125,000.
- 5.5 The limits set out above will only be exceeded after the risks have been properly considered and with the express agreement of the PCC. Any decision to exceed these limits, together with the reasons for it, must be formally recorded in the minutes of a PCC meeting.
- 5.6 Time deposits will generally be for periods of up to 6 months and will not exceed periods of 12 months. All time deposit decisions will be considered and reviewed by the PCC on a periodic basis.

6 Other Investments

- 6.1 The PCC does not anticipate the need to consider investments other than liquid assets or time deposits. Should the need arise this policy will be reviewed and revised as appropriate.