

**Investment Policy**

**Responsible Person – Treasurer**

**Introduction**

The Charity’s income fluctuates due to varying levels of donations and legacies.

The Trustees of the Charity have delegated preliminary decision making on investment matters to the investment committee; this comprises of the Chairman, Vice-Chairman, Honorary Secretary and Honorary Treasurer.

The investment committee has appointed an independent professional investment adviser to provide guidance on asset allocation, investment manager selection and ongoing performance analysis.

Investment Policy review and investment decisions will be taken to the Trustees for approval.

The nominated first signatory will be the PCCF Treasurer, and when unavailable will be the Honorary Secretary or Charirman

1. **Investment Objectives**

The Charity seeks to produce the best financial return within an acceptable level of risk.

All income streams from investments and deposits are to be used by the trustees to help carry out their charitable objectives on behalf of beneficiaries.

The investment objective for the long-term reserves is to generate capital growth in excess of inflation over the long term.

The investment objective for the short-term reserves is to preserve the capital value with a minimum level of risk.

Assets should (wherever possible) be readily available to meet unanticipated cash flow requirements.

1. **Risk**

The key risk to the long-term reserves is inflation and the assets should be invested to mitigate this risk over the long term.

The Trustees understand that this is likely to mean that investments will be concentrated in real assets and the capital value will fluctuate.

The long-term reserves should be widely diversified by asset class, geographical and individual stock exposure. The investment committee has commissioned an independent professional investment adviser to recommend a suitable asset allocation strategy and to review this annually.

The short-term reserves are held to provide financial security and may be required at short notice. As such, capital volatility cannot be tolerated and investment of these assets should be focused on security and accessibility.

1. **Liquidity Requirements**

The Trustees consider that the sum of at least £50,000 should be retained as free reserves to enable them to meet any future urgent requests rapidly.

This policy is reviewed annually and reported to members at each AGM.

1. **Time Horizon**

The Charity has divided its reserves into those expected to be held for a long-time horizon and those that may be needed in the short term.

1. **Ethical Investment Policy**

The trustees have decided to publish their ethical investment policy as follows:

In general, our trustees are obliged to consider the type of investment and avoid investing in any particular business that would for practical reasons conflict with the aims of Plymouth and Cornwall Cancer Fund or that might hamper the work of Plymouth and Cornwall Cancer Fund.

Specifically, the trustees have considered such types of businesses for their long-term restricted and unrestricted funds and have decided to:

exclude investment in companies which derive more than 10% of revenue from the tobacco industry on the grounds that these could fundamentally conflict with the Charity’s aims as a cancer support charity.

This applies to any direct investments in equities, corporate debt, property or pooled investment funds.

The trustees will also bear this in mind when considering its selection of banks and other deposit holding institutions.

Pooled funds are funds in which a number of different investors invest. Because Plymouth and Cornwall Cancer Fund’s specific ethical investment policy may not be able to be applied fully, or at all, in investments in pooled funds and indirect vehicles, it is essential that parameters are set for the use of pooled funds and indirect vehicles.

Any investment manager or adviser will be briefed accordingly of this ethical investment policy appendix (in conjunction with our investment policy) before being offered any contract or mandate to provide investment services or advice to our charity.

1. **Management, Reporting and Monitoring**

Long Term Reserves

The investment committee has appointed an independent professional investment adviser to carry out a process of investment manager selection.

The long-term reserves are invested in a blend of widely diversified Common Investment Funds (CIFs), Common Authorised Investment Funds (CAIFs) or retail investment funds, known as open ended investment company shares (OEICs) and/or unit Trusts (UTs) with suitable ethical investment policies in place. All funds are to be UK domiciled and regulated by the Financial Conduct Authority.

The value of the Charity’s long-term reserves will be monitored at least annually by the investment committee.

An independent professional investment review is commissioned annually to analyse financial return, asset allocation and volatility and is presented to the investment committee.

Short Term Reserves

The investment committee manages the Charity’s short-term cash deposit reserves. The investment committee monitors the short-term reserves at least annually.

1. **Approval and Review**

This Investment Policy Statement was prepared by the investment committee of the Plymouth and Cornwall Cancer Fund to provide a framework for the management of its reserves. It will be reviewed every three years to ensure its continuing appropriateness.

**Approval Date: 25.09.18 (Trustee / Committee Meeting Minute No  1446(iii) )**

**Review Date: September 2021**