

# **Alpha-1 UK - Investing Charity Funds Policy and Procedure**

## **1. Introduction**

Alpha-1 UK recognises its responsibility to manage and invest charity funds prudently to support its charitable objectives, safeguard assets, and ensure long-term financial sustainability. This policy sets out the principles, authority, and procedures governing the investment of charity funds.

## **2. Purpose**

The purpose of this policy is to:

- Ensure charity funds are invested responsibly and in line with Alpha-1 UK's objectives.
- Protect the charity's capital while generating appropriate returns.
- Provide clear governance and accountability for investment decisions.
- Ensure compliance with charity law and relevant guidance.

## **3. Scope**

This policy applies to:

- All funds held by Alpha-1 UK that are not required for immediate operational use.
- All trustees and individuals involved in investment decision-making.

## **4. Legal and Regulatory Framework**

Investments will be managed in accordance with:

- The Charity's governing document
- The Charities Act 2011
- Charity Commission guidance on charity investments (including CC14)
- Trustee duties under UK charity law

Trustees must act in the **best interests of the charity**, exercising reasonable care and skill.

## **5. Investment Objectives**

The charity's investment objectives are to:

- Preserve the value of capital.
- Generate a reasonable return to support charitable activities.
- Maintain sufficient liquidity to meet operational needs.
- Manage risk appropriately, avoiding speculative investments.

## **6. Ethical and Responsible Investment**

Alpha-1 UK will consider ethical, environmental, and social factors when investing, where these do not conflict with the charity's financial interests.

The charity will not knowingly invest in activities that:

- Conflict with Alpha-1 UK's charitable purpose or values.
- Could reasonably be expected to undermine trust and confidence in the charity.

## **7. Types of Investments**

Subject to risk and liquidity requirements, investments may include:

- Deposit and savings accounts
- Fixed-term deposits
- Low-risk pooled investment funds
- Other low-to-medium risk investments approved by the Board

The charity will avoid:

- High-risk or speculative investments
- Complex financial instruments
- Investments requiring borrowing or leverage

## **8. Delegation and Responsibilities**

## **8.1 Board of Trustees**

The Board of Trustees is responsible for:

- Approving this policy and any amendments.
- Approving the overall investment strategy.
- Reviewing investment performance at least annually.
- Ensuring conflicts of interest are identified and managed.

## **8.2 Treasurer / Finance Lead**

The Treasurer or designated Finance Lead is responsible for:

- Implementing the investment strategy.
- Monitoring performance and risk.
- Reporting to the Board on investments.
- Ensuring investments align with liquidity needs.

## **9. Decision-Making and Approval**

- All investment decisions must be approved by the Board of Trustees.
- Trustees with a conflict of interest must not participate in related decisions.
- Professional advice will be sought where appropriate, particularly for complex or long-term investments.

## **10. Risk Management**

The charity will:

- Spread investments to avoid over-concentration.
- Regularly review risk exposure.
- Ensure sufficient cash reserves are maintained for operational needs.
- Avoid reliance on a single investment vehicle.

## **11. Monitoring and Reporting**

- Investment performance will be reviewed at least annually.
- Reports will include:
  - Current value of investments
  - Income generated

- Performance against objectives
  - Any changes in risk profile
- Any significant under-performance or concerns will be reported promptly to the Board.

## **12. Use of Professional Advice**

Where appropriate, the charity may:

- Appoint an independent investment adviser or manager.
- Review adviser performance regularly.
- Ensure advisers are suitably qualified and regulated.

The cost of professional advice must be proportionate to the size of the investment.

## **13. Record Keeping**

- All investment decisions must be documented and minuted.
- Contracts, statements, and reports will be retained in line with financial record-keeping requirements.
- Records will be available for audit and inspection.

## **14. Review of Policy**

This policy will be reviewed:

- Bi-annually by the Board of Trustees, or
- Earlier if there are changes in legislation, charity operations, or financial position.

## **15. Approval**

This policy is approved by the Board of Trustees of Alpha-1 UK.

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This Investing Charity Funds Policy is approved by:

**Sam Sharp**  
**Treasurer**  
**1 February 2026**

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