

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.

Date: 1 February 2026

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.

This Investing Charity Funds Policy is approved by:

Sam Sharp

Treasurer

1 February 2026
