**Churches Together in England (CTE)**

**Investment Policy**

**1. Introduction**

Churches Together in England is a registered charity and a company limited by guarantee, whose objectives (“the Objects”) are defined as the advancement of the Christian Religion in accordance with its statement of faith, the relief of poverty and the advancement of education and any other purposes which are charitable according to the law of England and Wales.

The charity seeks (within its general objectives) to be a visible sign of the churches’ commitment to one another, in obedience to our Lord’s Prayer “that they may all be one. As you, Father are in me and I am in you, may they also be in us so that the world may believe that you have sent me”. (John 17:21).

Churches Together in England is the national ecumenical instrument supporting and encouraging churches from a wide range of traditions to work together in unity.

CTE has approximately £263,000 of investment assets. The Trustees’ policy is to retain any short-term surplus funds, including designated and restricted funds, in the highest possible interest-bearing accounts consistent with the objects of the charity, currently using the CAF Bank ‘Gold Account’, the CCLA Investment Management ‘COIF Charities Deposit Fund’ and the Epworth Investment Management ‘Affirmative Deposit Fund for Charities’. Long-term surplus funds are placed in quoted investment funds managed by Epworth Investment Management.

Investments are made to produce growth in the capital base by either capital appreciation or reinvestment of income. Instructions in respect of specific trusts are dictated by the requirements of each individual trust.

The Trustees of the Board have delegated decision making on investment matters to the Finance and Operations Committee.

**2. Investment Objectives**

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

The Board sets appropriate benchmarks for each fund it holds against which performance is measured.

Income is reinvested to increase long-term returns.

**3. Risk**

The key risk to the Board in the long-term is the ability of Member Churches and Bodies to pay subscriptions.

The Trustees are able to tolerate volatility of the capital value, as long as the Board is able to meet its short-term expenditure commitments and long-term value increases.

The Board's assets can be invested widely. Asset classes could include cash, bonds, equities, structured products, private equity, commodities and any other asset that is deemed suitable, bearing in mind the ethical restrictions below.

The base currency of the investment portfolio is Sterling.

The Board's cash balances are deposited with institutions with an appropriate credit rating, or invested in a diversified money market fund.

**4. Liquidity Requirements**

Investment funds are generally not disinvested, their aim is to provide income and capital growth. Money that is required at short notice is deposited with the Charities’ Official Investment Fund (COIF) and the Board’s bankers. Further deposits are held with several banks on various fixed-term deposits, thus ensuring CTE’s expenditure commitments can be made.

**5. Time Horizon**

The Board is expected to exist in perpetuity and investments are managed to meet the investment objective and ensure this sustainability.

The Board can adopt a long-term investment time horizon.

**6. Ethical Investment Statement**

Following an ethical approach to investments is important to CTE. The Board affirms the ethical principles held by our Investment Managers Epworth Investment Management Limited. A copy of this is contained in Appendix 1.

**7. Management, Reporting and Monitoring**

The Board has appointed Epworth Investment Management Limited to manage the assets on a discretionary basis in line with this policy.

The Investment Managers provide custody of assets. They are required to produce a valuation and performance report quarterly, which they present to the Finance and Operations Committee. The Board has in place a list of authorised signatories, two of whom are required to sign instructions.

The Finance and Operations Committee has responsibility for agreeing strategy and monitoring the investment assets during its quarterly meeting.

The Finance and Operations Committee meets with Epworth Investment Management Limited at least every 6 months to review the portfolio, including an analysis of return, risk and asset allocation. Performance is monitored against agreed market benchmarks.

The Finance and Operations Committee reports formally to the full Trustee Board in their meeting following each quarterly review. This report should include a review of asset allocation strategy, performance, risk profile and consistency with long-term investment objective.

**8. Approval and review**

This Investment Policy Statement was prepared by the Finance and Operations Committee of Churches Together in England to provide a framework for the management of its investment assets. It will be reviewed on an annual basis to ensure continuing appropriateness.

This policy will be reviewed annually by CTE.

Approved by the Board of Trustees of Churches Together in England

Signed

Dated

Reference Minute

**Appendix 1: CTE Ethical Investment Statement**

**Churches Together in England (CTE) Ethical Investment Statement**

Churches Together in England aim to ensure that all of their investments are placed in companies deemed to be ethical. In order to achieve this aim, all the investments are managed through Epworth Investment Management Limited.[[1]](#footnote-1) The policies of Epworth Investment Management Limited with respect to ethical investments are as follows:

**EARTH & ECOSYSTEM:**

All creation belongs to God. We are to be good stewards and are to contribute to the renewal and flourishing of all creation.

**LABOUR:**

All people have the right to employment at a living wage and in conditions that do not violate their human dignity or deny their opportunity to flourish.

**EQUALITY:**

All people are worthy of value and dignity as they are made in the image of God.

**CONFLICT:**

All people and companies should work actively toward peace.

**SOCIETY:**

All people should be enabled to thrive in flourishing communities and have the opportunity to enjoy life in its fullness. The poor and those who are excluded should be centred and prioritised.

**HEALTH & WELLBEING:**

All people have the right to the essential elements that contribute to human flourishing: healthy food, clothing, secure housing, healthcare, education, and social programmes.

**FAIRNESS, RESPONSIBILITY & TRANSPARENCY**

Companies are participants in society and share in the individual’s obligation to justice and the common good. Seeking the common good involves honesty and truth, and may demand restitution, forgiveness, reconciliation and ultimately transformation.

Churches Together in England affirms these values and has approved the ongoing management of its portfolio of investments through Epworth accordingly. Regular reviews are held with Epworth to ensure that these guidelines are adhered to.

1. [www.epworthim.com](http://www.epworthim.com) [↑](#footnote-ref-1)