

Charity Investment Checklists

The following checklists have been developed by Cazenove and they outline the considerations Trustees should make when setting out an investment strategy for their charity.

Trustee duties

- Considering whether the investments are suitable for your charity and whether they will meet its investment objectives. This means taking account of how suitable any investment is for your charity: both the investment type (for example, shares) and particular investments within that type (for example, shares in a specific business)
- Considering the need to diversify investments, if appropriate to your charity, to spread the risk (for example, owning shares in a number of different companies or sectors)
- Taking advice from someone experienced in investment matters, unless you have a good reason for not doing this. For example, if you have enough expertise in your trustee group or you have limited or low value investments)
- Reviewing your charity's investments at appropriate intervals

Charity investment policy checklist

- What, if anything, does your charity's governing document say about how you must invest?
- Your charity's investment objectives, including any relevant reputational and other non-financial factors
- Any sectors or organisations which you consider are in conflict with your charity's purposes
- Your timeframe for investment - short, medium or long-term
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- Your charity's attitude to risk
- Your approach, if any, to ESG factors and to your engagement with the companies you invest in
- How you monitor and review your investments, including key benchmarks
- Who your investment advisers and managers are, their responsibility and remit, and how you work with them

Manager selection checklist

- How they will deliver on your investment policy, including any reputational and other non-financial objectives
- The type and number of portfolios they manage
- The value of the assets they manage
- Their experience of managing charity investments
- Their fees and charges in the short and long-term
- Their investment selection and risk-review process
- Their ability to adapt their approach to suit your charity

Annual report checklist

- How your charity's investments have performed during the year
- What your investment policy is, including any non-fictional aims that you have for your charity's investments

How we can help

If you would like to discuss any matter arising from this example policy please contact MHA on info@mha-uk.com or your usual MHA contact.

This template is designed for information purposes only. Whilst every effort has been made to provide accurate and up to date information, it is recommended that you consult us before taking or refraining from taking action based on matters discussed.



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