Acton Field Trust Registered Charity Number 12098011

Investment policy – Review date 8 October 2025

Investment objectives

We should aim to generate an adequate stream of income to as far as possible meet our annual spending needs while also aiming at least to maintain the real value of our financial investments. It follows that our assets should be allocated primarily to equities, rather than bonds or interest bearing deposits, since the latter are likely to have their real value eroded by inflation, whereas the former, though more volatile, are more likely to maintain or increase the real value of their capital over time.

Taking advice and delegating

According to 'Investing charity money: a guide for trustees' (Charity Commission, 1st August 2023), charities 'can delegate decisions about investment to others. For example to: an investment fund manager or a collective fund or scheme.' The size of Acton Field Trust's portfolio is not large enough to justify the cost of employing a dedicated fund manager. It follows that the appropriate course will be for it to allocate its financial assets to one or more professionally managed collective schemes with (see above) an emphasis on relatively low risk and high yield equity investments.

Initial investment allocation

The appropriate vehicles from which to choose are Charity Authorised Investment Funds (CAIFs), which operate in a fashion similar to Unit Trusts, but which are specifically structured to serve charities. The investment allocation for Acton Field Trust should be to maintain a small balance in a current account to cover day to day expenses, and for any amount that can be invested for the long term to be allocated to one or more CAIFs, with the emphasis on high yield equity investments.

Monitoring of portfolio

In the event of dramatic changes either to the finances of the trust, or to the portfolio resulting from unusual financial turbulence, the allocation of the trust's assets should be reviewed. Otherwise, the management committee should conduct a review at least annually, to ensure that the asset allocation remains appropriate.