



Policy Document for

PCC Investments

**The Parochial Church Council of the Ecclesiastical Parish of
St Peter and St Paul Rustington**

Investment

1. Introduction

The PCC of St Peter and St Paul Rustington is a registered charity, whose primary objective is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC has the responsibility of co-operating with the incumbent, the Reverend Natalie Loveless in promoting in the ecclesiastical parish the whole mission of the Church pastoral, evangelistic social and ecumenical.

Unrestricted Funds

As a charity the PCC should not normally retain money that is unrestricted, unless:

- i) it has an agreed designated future project or ongoing purpose or
- ii) it is part of a legacy for which the donor has expressed an achievable wish.

Unrestricted funds are used for the cost of running the church and our primary purpose as stated above.

The PCC does however, have a reserve policy to hold three months of planned expenditure as reserves to ensure continued financial security and to provide for contingencies.

Restricted Funds or Endowed Funds

The PCC have a number of restricted funds (e.g. the Healey Fund) and endowed funds (e.g. the Burial Ground Trust, the Fabric Fund, the Chancel Trust Fund and the Everett/Scott Fund) the details of which are contained in the PCC's annual accounts.

Investment Decisions and Monitoring

The PCC does not normally invest unrestricted funds which are to be used for the running and mission expenses of the parish. However, if a large legacy is received it may be prudent to make a short-term notice investment whilst decisions on its use are considered by the PCC. Any short-term investment in a particular bank or institution will be limited to the value covered by the FSCS.

Some restricted funds are invested if the money is unlikely to be required for a short to medium period, however, most endowed funds are invested

The majority of the Endowed Funds are invested with the Central Board of Finance.

The PCC take advice from the Finance Group who then make investments of their behalf. The value of any investments is reported to the PCC at least once a year.

Investment objectives

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

The long-term reserves are invested with the CBF to grow at least in line with inflation and produce income, the short term reserves should be invested emphasising certainty of value and ease of access.

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Our attitude to risk

The PCC is reliant on voluntary income, fund raising and donations for its day to day running costs and as such only assets held as reserves are invested.

The key risk to any long-term reserves is inflation, and the assets should where possible be invested to mitigate this risk over the long term. The PCC understand that the capital value of any investment will fluctuate.

The short-term reserves are held to provide financial security and may be required at short notice. As such capital volatility cannot be tolerated and investment of these assets should be focused on minimising this.

Currency

The base currency of the investment portfolio is Sterling.

Short term reserves should be held in Sterling.

Credit

The PCC's cash balances should be deposited with institutions with a minimum credit rating of AA. Deposits should be spread across sufficient Financial Institutions to ensure they are below the maximum exposure of FSCS protection per institution.

Approval and Review

This Investment Policy Statement will be reviewed on a triennial basis to ensure continuing appropriateness.