

# **Investment Policy Statement**

## **for Ipswich & Diss Area Quaker Meeting**

### **(Charity Commission Number: 1134526)**

#### **1. General Background**

Ipswich & Diss Area Quaker Meeting (1134526) includes three linked charities and six Local Quaker Meetings (LMs): Bury St. Edmunds, Diss, Felixstowe, Ipswich, Leiston, and Woodbridge. The linked charities are the Ipswich & Diss Area Meeting Property Charity (1134526-1), the Richard Waynforth Trust (1134526-3) and the Agnes Moss Bequest Trust (1134526-4).

Ipswich & Diss Area Quaker Meeting, including its LMs and associated charities, currently operates under Schemes adopted on 29 May 2012 and 7 October 2014 and was registered with the Charity Commission on 26 February 2010.

#### **1.1 Ipswich & Diss Area Quaker Meeting**

The charitable objectives of Ipswich & Diss Area Quaker Meeting and its LMs are to support “the furtherance of the religious and other charitable purposes of the Religious Society of Friends (Quakers) in the area of Ipswich & Diss meeting and beyond.”

#### **1.2 Ipswich & Diss Area Meeting Property Charity**

The charitable objectives of the Ipswich & Diss Area Meeting Property Charity are to support the “meeting houses and burial grounds of the Religious Society of Friends or for such other charitable purposes of the Society as the Ipswich & Diss Area Meeting may direct and the trustees may think suitable: provided that the trustees may allow persons who are not members of the society to use the meeting houses and premises and the remains of persons who were not members of the Society to be buried in the burial grounds.” The Area Meeting applies these objectives to the properties described in section 2.2.

#### **1.3 Richard Waynforth Trust**

The charitable objectives of the Richard Waynforth Trust are to provide “relief in need for members and attenders of the Area Meeting” through grant making. A new scheme was adopted by the Charity Commission on 7 October 2014 in which the area of benefit now also covers members and attenders of South-East Anglia Area Meeting and Norfolk & Waveney Area Meeting.

The trust’s relief includes paying for household bills, transport to/from Meeting for Worship, essential home repairs, household items and electrical appliances, mobility aids, respite care and home help, training to get back to work, emergency travel, computer equipment used for Quaker work and attendance at Britain Yearly Meeting, Yearly Meeting Gathering and Junior Year Meeting.

#### **1.4 Agnes Moss Bequest Trust**

The charitable objectives of the Agnes Moss Bequest Trust state that “the income arising from the property or from proceeds of sale of the property are to be applied for such purpose or object (within the legal definition of a charitable purpose or object) as the Area Meeting shall direct.” The property referred to is 21 St Nicholas Street in Diss, and the AM has directed that the fund is to be used by Diss LM for general purposes as well as for property maintenance and repairs of Diss Meeting House, burial ground and warden’s house and for 21 St Nicholas Street itself.

## **2. Financial Profile**

### **2.1 Ipswich & Diss Area Quaker Meeting**

Ipswich & Diss Area Quaker Meeting's annual income is principally from contributions from the members and attenders of its six Local Quaker Meetings. There is additional income from Gift Aid and room lettings in its four meeting houses (Bury St Edmunds, Diss, Ipswich and Leiston) and occasionally from legacies, fundraising and grants. A small amount of investment income is earned from interest on the LMs' current and deposit accounts.

The Area Meeting's support costs include wages for wardens and cleaners; utilities; property repairs and maintenance; furniture and equipment and administration. Governance costs include accountancy and legal services. Other costs include conferences, payments to other Quaker bodies and outreach and publicity.

### **2.2 Ipswich & Diss Area Meeting Property Charity**

Ipswich & Diss Area Meeting Property Charity's fixed assets are four meeting houses (Bury St Edmunds, Diss, Ipswich and Leiston), a warden's flat within Ipswich Meeting House and a warden's house at Diss. There are burial grounds at Bury St Edmunds, Diss and Leiston meeting houses. Former burial grounds are at Bredfield, Needham Market and Woodbridge, which is let to Woodbridge Town Council on a repairing lease for 30 years at a peppercorn rent from May 2004.

The charity holds a permanently endowed restricted fund, the majority of which has been invested with Rathbone Greenbank (see Section 3). The remaining money has been invested in deposit accounts with Triodos Bank and Eastern Savings & Loans. The income from these investments contributes towards the charity's annual expenditure, which consists of governance costs (e.g., accountancy and legal services) and quinquennial surveys.

The charity also holds two designated meeting house maintenance funds: the Bury St Edmunds Long-Term Meeting House Maintenance Fund and the AM Meeting Houses Fund. Income for these funds comes from donations, Gift Aid, investments and legacies and is used for capital building maintenance and repairs. Both funds have investments with Rathbone Greenbank. The Bury St Edmunds Long-Term Meeting House Maintenance Fund also has funds invested in deposit accounts with Triodos Bank, Ecology Building Society and Eastern Savings and Loans.

### **2.3 Richard Waynforth Trust**

The majority of this permanently endowed fund has been invested with Rathbone Greenbank (see Section 3) to produce an annual income for the restricted use of relief-in-need grant making. The remaining funds have been invested in deposit accounts with Triodos Bank, Ecology Building Society and Eastern Savings & Loans.

### **2.4 Agnes Moss Bequest Trust**

The income from this permanently endowed fund is primarily generated through the commercial letting of 21 St Nicholas Street in Diss. The charity's annual expenditure can include general purposes, building repairs and governance costs (e.g., legal and estate agent fees) for 21 St Nicholas Street as well as maintenance and repairs costs for Diss Meeting House, burial ground and warden's house. In addition, the trust must pay the cost of buildings and public liability insurance; utilities and council taxes, when 21 St Nicholas Street has no tenant. All cash assets have been invested in deposit accounts with Triodos Bank, Ecology Building Society and Eastern Savings & Loans.

If 21 St Nicholas Street is sold, the proceeds will be invested as a permanent endowment fund with the investment income still being used by Diss LM for general purposes and maintenance and repairs of the meeting house, burial ground and warden's house.

### **3. Rathbone Greenbank**

#### **3.1 Investment powers**

The assets of the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust are invested with Rathbone Greenbank in accordance with the Trustee Act 2000 and the trust instrument.

#### **3.2 Investment management**

All of the investments are to be managed in such a way as to provide sufficient income to enable the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust to carry out their purposes effectively both in the short term and over the longer term. Where possible, the value of the assets should be enhanced so to at least keep pace with inflation over the longer term. To this end, the portfolios are managed as follows:

**a) Balance between capital growth and income requirements**

An approximate balance is to be kept between the enhancement of capital and the generation of income.

**b) Acceptable risk**

A “low risk” approach is to be used in the management of the assets of the Richard Waynforth Trust.

The portfolio of the Ipswich & Diss Area Meeting Property Charity is to be managed at the ‘lower end of medium risk’ in an attempt to generate increased income. The income received when the portfolio was managed with a ‘low risk’ approach was insufficient to cover the Property Charity’s annual operating costs.

**c) Functions delegated to the trustees’ agent (investment manager)**

The investments are to be managed on a “discretionary” basis.

**d) Investment parameters and exclusions**

The portfolios should be managed in order to achieve the stated investment objective within the defined risk profiles. “Derivatives” may not be used without prior consultation with the trustees.

The objects of the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust are to be met by way of a prudent investment strategy. There should be a diversified range of bonds and equities, which are quoted on a recognised investment exchange, and unit trusts and Open Ended Investment Companies (OEICs), which are authorised under the Financial Services and Markets Act 2000. The “type” of each investment and the individual investments themselves should be suitable to meet the purposes of the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust.

**e) Ethical Restrictions**

Investments within the portfolios should comply with the ethical criteria set out in the Ethical Profile Questionnaire supplied by Ethical Screening and signed by the Trustees on 22 November 2011.

Since completing the Ethical Profile Questionnaire, the trustees have agreed (minute 47/16) and instructed Rathbone Greenbank that the Area Meeting is to divest from the extraction of fossil fuels and re-invest in sustainable alternatives. An exception is SSE, which is gradually transitioning to cleaner energy production and is the UK's largest generator of electricity from renewable sources.

The trustees have re-confirmed the decision to remain investing in Marks & Spencer. Investments in the banking sector are to be made using Rathbone Greenbank's "Best in Sector" assessment criteria, which include:

- Environmental, social and governance risks across all business activities
- Mis-selling or sales and marketing breaches
- Regulatory failings and business culture
- Access to finance
- Support of financial literacy and education

Genetic modification will continue to be excluded, noting that many companies working in genetic modification are already excluded for reasons such as animal and human rights violations. The trustees, however, have instructed Rathbone Greenbank that the Area Meeting wishes to support medical research that may produce a cure for many diseases.

### **3.3 Investment performance benchmarking**

The performance of the portfolios is to be monitored against the returns of the APCIMS Income Index, although it is noted that this index is more likely to represent the performance of a medium risk income portfolio without ethical constraints.

### **3.4 Income**

Income that has accrued in each quarter is to be transferred to the Co-operative Bank current accounts of Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust within 30 days of the respective quarter end. The trustees may, at their discretion, re-credit all or part of these payments to the portfolios' cash accounts.

### **3.5 Use of nominee facilities**

The investments are to be held by Rathbones' nominee company or an alternative nominee specified by Rathbones, where appropriate (e.g., Bank of New York for overseas stock).

### **3.6 Appointment of investment "agent" (investment manager)**

The appointed investment manager is a suitably authorised person, within the meaning of the Financial Services and Markets Act 2000, of Rathbone Greenbank Investments (a trading name of Rathbone Investment Management Ltd). This appointment is subject to the terms of both this investment policy and the contract entered into between the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust and Rathbones.

### **3.7 Remuneration**

The basis of Rathbone Greenbank Investments' remuneration is that detailed at the time of them being appointed investment manager. One month's notice should be provided to the trustees in the event of Rathbones intending to amend its fee and commission regime.

### **3.8 Reporting requirements**

A contract note is to be provided at the time that each transaction is undertaken. At the end of each calendar quarter, valuation and accompanying reports are to be provided encompassing the following:

- A list of all investments held, together with their respective book costs, current market value and estimated income and yield
- A performance analysis for the period covered by the report (quarterly) providing the statistics necessary to comply with the performance requirements detailed in this investment policy
- A transaction schedule detailing both purchases and sales
- Details of non-market transactions, rights issues, capitalisations or other corporate actions

Separate tax reports are to be prepared at the end of the Ipswich & Diss Area Meeting Property Charity's and the Richard Waynforth Trust's financial year, 31 December, providing such information as is required by the trustees to meet their reporting obligations.

### **3.9 Reviews of investment policy and investment management services**

This investment policy will be reviewed every two years, or as required, by the trustees to ensure that it remains compatible with the objects and requirements of the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust. Amendments will be advised in writing to Rathbone Greenbank Investments.

The investment management services provided to the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust by Rathbone Greenbank Investments will be formally reviewed every two years, or at such time as deemed appropriate by the trustees. No notice period will be given by the trustees in respect of the termination of the services provided to the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust by Rathbone Greenbank Investments.

### **3.10 Exercising delegated investment functions**

In addition to complying with the specific requirements detailed in this investment policy, the appointed investment manager must pay heed to the general power of investment embodied in The Trustee Act 2000. All investments should be suitable and, overall, constitute a degree of diversification as required by The Trustee Act 2000.

### **3.11 Authorised persons**

The Ipswich & Diss Area Meeting trustees listed below are the approved signatories for both the Ipswich & Diss Area Meeting Property Charity and the Richard Waynforth Trust, and all instructions relating to either investment issues or cash payments must be authorised by two of these signatories:

Christina van Melzen	Trustee/Clerk of Ipswich & Diss Area Quaker Meeting Trustees
Enid Kimes	Trustee/Treasurer of Ipswich & Diss Area Quaker Meeting
Simon Lamb	Trustee of Ipswich & Diss Area Quaker Meeting
Nicholas Wright	Trustee of Ipswich & Diss Area Quaker Meeting