

Investment Policy Statement

PURPOSE AND SCOPE	2
BACKGROUND	2
SCOPE OF INVESTMENT POWERS	2
OBJECTIVES	2
AMOUNT AVAILABLE FOR INVESTMENT, LIQUIDITY NEEDS AND TIMEFRAME OF INVESTMENTS	3
ATTITUDE TO RISK	3
ASSET ALLOCATION STRATEGY	4
RESTRICTIONS AND ETHICAL INVESTMENT POLICY	4
CURRENCY	4
BENCHMARKS AND REPORTING POLICY	5
APPROVAL AND REVIEW	5

PURPOSE AND SCOPE

In accordance with the requirements of the Trustee Act 2000, this statement sets out the overall approach of Julian House to investments and the broad framework within which decisions are made concerning investments.

Investment management is delegated to a professional investment manager, RBC Brewin Dolphin. This policy sets out the principles that the RBC Brewin Dolphin, must follow when taking any investment decisions on behalf of Julian House.

As well as investments, Julian House also hold cash deposits and freehold properties. These assets are not covered by this statement.

BACKGROUND

Julian House is a registered charity (No. 1183751), a company limited by guarantee in England & Wales (No. 11791952) and a registered provider of social housing (No. L4549). Julian House has one wholly owned trading subsidiary, Julian House Trading Limited which is a registered company (No. 03450273).

Julian House's vision is for a just society where socially excluded people are supported and empowered to build sustainable, independent lives. In everything we do we are creative; we are collaborative; and we value the individual.

Julian House follows the Charity Commission's guidance "Investing Charity Money" (CC14) and aspires to the Charity Investment Governance Principles.

SCOPE OF INVESTMENT POWERS

Julian House's investment powers are laid down in its governing document and subject to the Trustee Act 2000.

The Articles of Association provide for the Trustees to exercise investment powers and to appoint a professional Investment Manager. The Trustees have appointed RBC Brewin Dolphin to manage the portfolio of investments on a discretionary basis.

OBJECTIVES

The objectives of Julian House in investing its funds are:

- To maintain and, if possible, enhance the real value of its investments by achieving returns above inflation to ensure that spending power is maintained until the funds invested are required for spending, and
- To generate income to help enable Julian House to fulfil its charitable purposes.

AMOUNT AVAILABLE FOR INVESTMENT, LIQUIDITY NEEDS AND TIMEFRAME OF INVESTMENTS

Julian House has two pots to invest:

1. Julian House's head office at New King Street in Bath was sold in May 2021 and staff have relocated to leased premises. The Trustees intend to reinvest the funds from the sale of the property in housing for our clients. During 2024-2025 approximately £200k has been withdrawn from investments and used to purchase housing for our clients. It is expected that it will take a further five years to purchase property for our clients and we are looking to invest in the meantime. Once the funds are required it is probable that these will be drawn down over a period of time and so would not be required all at once. We have approximately £0.8m to invest. This income is not restricted but has been designated by the Board for the above purpose.
2. In August 2021 Julian House received a restricted donation from the Dorothy Hopkins Trust of £400k. This is to be spent on improvements to our women's refuge housing, a Women's Mental Health Worker and other women's related activities. We are expecting to spend this at a rate of approximately £70k per annum and so the total donation will take approximately six years to spend. Withdrawal will need to be made from investments regularly to top up general funds with the money spent.

The Trustees have agreed that these two pots of money can be invested together which will provide more flexibility both in how we can invest and when liquidising funds.

Julian House will retain sufficient liquid funds to meet ongoing cash flow requirements in the short and medium term.

ATTITUDE TO RISK

To meet the objectives and risk profile of Julian House, the Trustees have selected an Investment Objective of 'income and capital growth', subject to Risk Category 5 as laid out in RBC Brewin Dolphin's Guide to Investment Risk and Classification document. The Risk Category scale is from 1 to 10 with 1 being the lowest and 10 the highest risk.

The Trustees have chosen Risk Category 5 to balance the concern of the portfolio suffering significant fluctuations in value reducing spending power and the need to use our assets to generate income.

ASSET ALLOCATION STRATEGY

Julian House's strategic investment policy involves a broadly diversified spread of assets, including UK and overseas equities, Government and non-government bonds and pooled funds to cover more specialist areas of investment.

Specific asset allocation is a function that has been delegated by the Trustees to the Investment Manager. The Investment Manager will take into consideration the Trustees' ethical stance, Julian House's need for liquidity and the risk strategy as identified above.

RESTRICTIONS AND ETHICAL INVESTMENT POLICY

The Trustees wish to ensure that the investments held are consistent with our values and charitable objects without unduly limiting the ability of RBC Brewin Dolphin to achieve their investment objectives. As such, direct investments in companies which deal exclusively in armaments and in companies which generate more than 10% of their revenue from the following are excluded:

- Gambling
- Alcohol
- High interest lending
- Russian owned organisations.

As Trustees, we have considered the future sustainability of our investment portfolio and believe it is important that we invest responsibly to achieve our Charity's goals. As stewards of our investments, our Investment Managers RBC Brewin Dolphin take account of a wide range of environmental, social and governance factors when assessing and selecting investments for our portfolio.

RBC Brewin Dolphin engage with companies directly and as members of leading industry bodies on important issues that could impact the value of our holdings. As signatories, they adhere to the UN Principles of Responsible investment.

CURRENCY

The base currency of Julian House's operations is Sterling (UK Pounds) and therefore most of the investment portfolio should be based in Sterling. Investments may be made in assets priced in other currencies, but these should not exceed more than 50% of the total value.

BENCHMARKS AND REPORTING POLICY

The performance of the investments will be compared against a suitable benchmark index that reflects the composition and level of risk of the assets held. This will allow the Trustees to have a basis on which to judge performance of the investments. RBC Brewin Dolphin shall benchmark performance against the relevant adopt the ARC Charity Indices; these indices are calculated using actual returns generated by discretionary charity portfolios of a similar risk level net of fees.

The Trustees recognise that although they have appointed RBC Brewin Dolphin as professional Investment Managers, they remain responsible for the investments. The activities and performance of the Investment Manager will be monitored by the Trustees.

To provide oversight the following actions will be taken:

- RBC Brewin Dolphin shall report in writing on a quarterly basis confirming the portfolio performance and that of the benchmark.
- RBC Brewin Dolphin shall notify Julian House of any transactions undertaken.
- The performance of the investments will be reported by the Finance Director to the Audit and Finance Committee (a sub-committee of the main Board of Trustees) on a quarterly basis, and then to the Board of Trustees.
- To ensure control, instructions will only be taken from named persons who are authorised by the Trustees to give instructions. Two named persons are required to authorise all instructions.
- To regularly update RBC Brewin Dolphin of our liquidity needs so that withdrawals can be planned.
- RBC Brewin Dolphin are required to present to the Audit and Finance Committee or the Board from time to time and at least on an annual basis.

APPROVAL AND REVIEW

This Investment Policy Statement has been prepared to provide a framework for the management of the Charity's investments held with RBC Brewin Dolphin . It will be reviewed annually by the Audit and Finance Group and presented to the Board of Trustees.

Signed by the Trustees of Julian House

Emma Cooke

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