FOREVER MANCHESTER INVESTMENT FUNDS

Statement of Investment Principles

1 INTRODUCTION

The Trustees of Forever Manchester have drawn up this Statement of Investment Principles to comply with best principles within the voluntary sector.

The Trustees will review this Statement on a regular basis and at least every three years or without delay after a material change in investment policy.

The overall investment policy falls into two parts: the strategic management of the assets, which is the responsibility of the Trustees, with the overseeing of the policy being delegated to an Investment Committee; and the day-to-day management of the assets which is delegated to professional investment managers. The current Investment Managers are Barclays Wealth (The Investment Managers).

2 INVESTMENT OBJECTIVES, RISK AND INVESTMENT STRATEGY

2.1 Investment Objectives

To guide them in their strategic management of the assets and to control the risk to which the funds are exposed, the Trustees have determined the following objectives:

- To ensure that the Trustees can meet their obligations to the various stakeholders of the individual components of the funds, these being principally the donors/sponsors.
- To protect, in the longer term, the purchasing power and the income of the underlying assets, so as to protect the interests of both present and future beneficiaries.
- To consider carefully the risks involved in each of the different asset classes.
- Subject to the above constraints, to maximise the long-term return on the fund.
- The charity's endowment fund is currently valued at approximately £7.4 million.
- The fund is invested on a long-term basis and generates dividend income which is received monthly.
- Income provides a regular income stream to support the charity's activities and liquidity requirements.

2.2 Risk Management and Measurement

There are various risks to which any fund is exposed. The Trustees' policy on risk management is as follows:

- The primary risk is that arising from not being able to meet the stakeholders' reasonable expectations in the longer term.

- The Trustees recognise that whilst increasing risk can be expected to lead to increased returns over the longer term, it also increases the risk of a shortfall in returns relative to reasonable expectations as well as increased volatility in the shorter term. The Trustees have carefully considered the implications of adopting differing levels of risk.

- The Trustees recognise the risks that arise from the lack of diversification both between and within asset classes, and they aim to ensure that the asset allocation policy results in an adequately diversified portfolio.

- The Investment Managers are prevented from investing in asset classes outside the mandate contained within section 3 without the Trustees' prior consent. The Investment Managers are regulated by the Financial Conduct Authority, and a copy of the agreement between them and the Trustees is available for inspection.

- Arrangements are in place to monitor the investments to help the Trustees check that nothing has occurred that would bring into question the suitability of the current investments. To ensure this, the Trustees review the Investment Manager's reports and have meetings with the Investment Managers from time to time to review their actions together with the reasons for and the background to the investment performance.

- The safe custody of the assets is delegated to professional custodians.

- Should there be any material change in circumstances, the Trustees will review the extent to which the investment arrangements should be altered and, in particular, whether the current risk profile remains appropriate.

2.3 Investment Strategy

The Trustees have determined, based on discussions with the Investment Managers, benchmark mixes of asset types and ranges within which the Investment Managers may operate. These guidelines are set out in section 3.

The Trustees believe that the asset mixes set out in section 3 strike an appropriate balance between seeking good investment returns and controlling risk.

The Investment Managers may, at any time, use Structured Products to provide a risk controlled exposure to any of the asset classes. In these circumstances we would expect their inclusion to reduce overall portfolio volatility.

3 DAY-TO-DAY MANAGEMENT OF THE ASSETS

3.1 Main Assets

The Trustees are satisfied that a spread of assets by type, and a range of individual securities within each type provide adequate diversification of investments.

3.2 The asset allocation, control ranges and benchmark are as follows:

Asset Class	**Allocation %**	**Control Ranges %**	**Benchmark Index**
Equities:	73.1	50 - 80	
- UK	40.9	25 - 55	FTSE 100 GBP TR
- International	32.3	15 - 35	FTSE World ex UK GBP TR
Fixed Interest	10.6	5 - 30	FTSE A British Govt All Stocks
Absolute return funds	0	0 - 15	Tremont All Hedge (GBP) TR
Property	10	0 -15	IPD All Property Index GBP TR
Cash & Equivalents	6.3	0 - 15	BOE Base Rate GBP

The asset allocation is maintained by the Investment Managers within the normal control ranges stated above. If a normal control range is exceeded, the Investment Committee must be consulted. Where new monies flow into the fund, taking the proportion of cash to above the upper end of the control range, the Investment Managers will normally be allowed some discretion in the timing of the removal of the excess.

3.3 Monitoring the Investment Managers

The Trustees meet the Investment Managers from time to time to review their reasons for, and the background to their investment performance. The appointment of the Investment Managers will be reviewed every three years or more frequently if appropriate.

4 SOCIALLY RESPONSIBLE INVESTMENT

The Trustees consider that it is appropriate, where possible, for The Investment Manager to engage with the companies in which they invest (on behalf of their clients) to encourage them to pursue responsible stances on social, environmental and ethical (SEE) issues. They consider that a company's stance on such issues can have an appreciable impact on its ability to deliver long-term investor value.

The Trustees would prefer not to have direct exposure to companies where a significant proportion of the underlying revenues are derived from one or more of the following areas:

- Armaments
- Tobacco and
- Pornography

The exclusion criteria are kept under review, but The Investment Managers have advised the Trustees that where the policy is implemented, it would not be expected to have a material effect on the performance of the funds.

5 CORPORATE GOVERNANCE

The funds do not have the resources to operate a policy on corporate governance and do not instruct The Investment Manager on how to vote its interests. The Investment Manager votes on the Trustee's behalf, according to its own Corporate Governance Policy.

6 INVESTMENT FEES AND OTHER EXPENSES

The Trustees recognise that expenses can have an appreciable effect on the net returns obtained on the funds, and all efforts are made to ensure that they are minimised whilst not jeopardising the other objectives of the investment policy.

7 COMPLIANCE WITH THIS STATEMENT

The Trustees and the Investment Managers each have duties to perform to ensure compliance with this Statement. These are:

The Trustees will review this Statement, after consultation with the Investment Managers, at least every three years.

The Investment Managers will produce on request regular reports and valuations, including:
- a valuation of all investments held
- records of transactions
- a review of recent actions undertaken on behalf of the Trustees

8 REVIEW OF THIS STATEMENT

The Trustees will review this Statement in response to any material changes, which they judge to have a bearing on the stated Investment Policy.

Date of next investment committee meeting – 17th September 2026