

# Investment Policy



United Kingdom  
Mathematics Trust

## 1. Introduction

- a. The UKMT Investment Policy will be proposed by the UKMT Investment Committee, reviewed by the Finance & General Purposes Committee and approved by the UKMT Council. A summary of the policy will be included in UKMT's report and accounts.

## 2. Investment Powers

- a. The trustees of UKMT have the power to make investments through its Memorandum and Articles of Association. These powers have been delegated to the Investment Committee.

## 3. Investment Objectives

- a. Ensure sufficient funds are available for short term needs of UKMT.
- b. Invest the balance of available funds to achieve suitable risk-adjusted returns and earn additional income to support the activities of UKMT.
- c. Make appropriate trade-offs between investment return and capital preservation.
- d. UKMT Council will set an overall investment objective with this in mind. The investment objective will typically indicate the approximate proportion of available funds to be invested in the financial markets.

## 4. Risk

- a. The UKMT Investment Committee will periodically review the financial risks involved in the investments it makes and take appropriate action to manage these risks. These risks include capital risk, liquidity risk, tax risk and counterparty risk.

## 5. Liquidity

- a. The UKMT Investment Committee will periodically review the liquidity of the investments and ensure that the liquidity profile is adequate to ensure that sufficient funds are available to cover the short-term needs of UKMT, as well as any major one-off expenditure.

## 6. Types of Investment

- a. The UKMT is permitted to invest in all conventional investment asset classes. Preference will be for investment in managed funds from well-established fund managers as well as in low cost Exchange Traded Funds. Risk will be managed through diversification.
- b. The UKMT will not engage in frequent trading of investment assets. Account will be taken of any relevant UKMT ethical investment policies. Programme Related Investments will not typically be undertaken. Cash will only be invested with appropriately authorised institutions.

## 7. Investment decisions

- a. To be taken by the Investment Committee within the overall investment policy set down by Council. The Investment Committee should include at least one member with external investment experience.

## **8. Investment Management**

- a. Performance of external fund managers will be periodically reviewed by the Investment Committee against appropriate benchmarks.

## **9. Reporting**

- a. External managers to provide periodic valuations, at least twice a year. These will be reported to the Investment Committee, the Finance & General Purpose Committee and the UKMT Council. A summary will be included in the UKMT report and accounts.