



The League of Friends of Minehead and West Somerset Hospital & The Community

Based on the document "Writing your charity's investment policy: A guide" by Charity Investors Group

Title	Investment Policy
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Date Originated	7 April 2022
Date Adopted	15 September 2022
Version No.	1
Published Date	1 October 2022
Revision Date	
Next Review Due	September 2023

Investments Policy

1. Introduction

- (a) The League of Friends (LoF) exists to provide support to the National Health Service at Minehead Community Hospital and the community which that hospital serves.
- (b) The LoF has no fixed assets and, as at April 2022, holds all its funds in current accounts with banks regulated by the Financial Conduct Authority.”;
- (c) Due to the Covid-19 Pandemic (which affected all LoF activities), there has been little income or expenditure since March 2020.
- (d) The extremely low interest rates available to charities such as the LoF for several years, the Trustees have agreed that all funds will continue to be held in bank current accounts.
- (e) When interest rates rise to a sufficient level to show some tangible benefit to the LoF, the Trustees will consider what funds can be safely moved to an investment account without compromising the need to achieve its aim of support the NHS in the Minehead area.
- (f) What follows is an aspiration for the LoF as and when interest rates rise.

2. Investment Objectives

The LoF will seek to produce the best financial return within an acceptable level of risk. As the level of available funds begins fluctuates when income and expenditure shows significant change, where possible, funds will be invested with minimum risk.

3. Risk

- (a) The LoF holds assets to fund capital expenditure over an undefined period of time. As such capital volatility cannot be tolerated and assets will only be invested to minimum risk.
- (b) The LoF's assets will be held in cash or near cash investments denominated in sterling.
- (c) The LoF's cash balances will only be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund.

4. Liquidity Requirements

The LoF will only make investments only when there are sufficient funds to ensure its aims (as outlined in 1(a) above) and approved commitments can be met.

5. Continued Fundraising

The LoF will continue to fundraise to meet future capital projects as yet undefined.

6. Management, Reporting and Monitoring

- (a) The LoF will manage its own cash deposits.
- (b) Any decision to move money from the current accounts to an investment will only be authorised by an ordinary meeting of the Trustees.
- (c) The Treasurer will provide regular financial statements to the Trustees which will include both cash reserves and investments held.
- (d) This policy will be reviewed on an annual basis.