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**Investment Policy**

**Background**

As a charity, QMH is not intended to be a profit-making organisation over the long term. Excess funds are built up so that future maintenance and replacement of assets can be funded.

**General considerations**

Security of capital is of paramount importance. Within that constraint, monetary assets are invested to aim for the maximum return available subject to practical limitations. A proportion of funds needs to be held in liquid form to cover short-term expenditure.

**Detailed guidelines adopted**

* Funds should be invested only with regulated institutions that are covered by the Financial Services Compensation Scheme. This ensures the security of capital.
* No less than £10,000 should be held in instant access accounts, to cover liquidity requirements.
* No more than £15,000 should be held in non-interest-bearing accounts in order to maximise investment return.
* Funds should not be tied up in notice accounts for more than 1 year.
* An annual review of rates earned should be carried out to ensure returns remain in line with the market.

Adopted on: 17 January 2017

Last reviewed: January 2024

Next review due: January 2025