



Mind in Croydon Limited

INVESTMENT POLICY

1. Introduction

This policy is written in the light of the Charity Commissioners' guidance "Investment of Charitable Funds: Basic Principles" (CC14, December 2004) which states: *"We strongly recommend that charity trustees decide on an investment policy for their charity, record it clearly in writing, and keep it under review". (para 30).*

At paragraph 9 the guidance states; *"The term "investment" is not defined in statute. Instead the courts have interpreted the phrase. Whilst not exhaustive, some common examples of investments include: shares in companies; land rented or leased out by the charity to tenants; interest-bearing loans by the charity, for example, government bonds, company loan stock, deposits at banks and building societies; and units in collective investment schemes, such as unit trusts, open-ended investment companies or common investment funds."*

The investment policy should address the following considerations (para 31):

- the need for enough resources for the charity to carry out its present and future activities effectively;
- the level of acceptable risk and how to manage it; and
- the charity's stance on ethical investment, if any.

2. Social, Environmental and Ethical Concerns Taken Account of in this Policy

It is a condition of our affiliation to National Mind that Mind in Croydon cannot accept money from or hold shares in companies manufacturing pharmaceuticals, lest this should compromise our position on the uses of medication.

3. Mind in Croydon's Investments

The trustees of Mind in Croydon have agreed they will consider any investment which appears sound and is in accordance with Mind in Croydon's objectives, but unless a good case can be made for anything more efficient than Government gilts, these should be the favoured option.

As at 31st March 2011, Mind in Croydon's investments consisted of £158,559 of Government Gilts at 5% maturing in 2012 and £153,268 of Government Gilts at 4¼% maturing 2032.

The income from investments together with income from bank deposits for the year ending 31st March 2011 was:

Gilts	£14,222
Bank interest	<u>£ 345</u>
TOTAL	£14,567

4. Mind in Croydon's Needs

In the short term Mind needs to be able to continue to run its projects safely and effectively. Currently, the level of funding from local and other sources does not cover this cost.

Investments therefore need to:

- a) bring in the extra income required, and
- b) be capable of being made liquid in a short period of time should an emergency arise.

In the medium to long term, the above needs are expected to remain constant. Demand on services is expected to increase and income from local and other sources is not expected to be able to increase so as to enable us to meet these demands.

5. Reviewing the Investment Policy

- 5.1 This policy will be reviewed annually by the Board of Mind in Croydon.
- 5.2 Any investment decision needs the approval of the Board, which, in an emergency, will grant powers to the Honorary Officers of Mind in Croydon to act on its behalf.

This policy was last reviewed and agreed by the trustees in June 2011