

Reserves and Investments Policy

1. Introduction

- 1.1 This policy sets out the way HEDQF (hereafter 'the Charity') manages its financial resources to better enable it to fulfill its mission.
- 1.2 In establishing this policy, the Charity is mindful of the view of the Charity Commission, that the Charity should not hold onto significant reserves for which there is no immediate or identifiable use.

2. Factors considered when setting the level of reserves

- 2.1 Money will only be kept in reserve for specific reasons, e.g. funding of research projects and as contingency/operating cash reserve, etc.
- 2.2 Money in designated funds will only be used for specific purposes. A restricted fund will only be used for the specific purposes identified by the donor, designated funds are monies set aside from the general fund by the Trustees for a specific purpose.
- 2.3 The Trustees will agree how many months running costs could be considered a reasonable cash reserve.

3. Agreed level of Reserves

- 3.1 The Charity will hold unrestricted reserves no greater than 12 months required cashflow. In 2018/19 this was £68.7k. The minimum amount should be no less than £40k to cover essential operational costs.
- 3.2 A sum of £28k (of this total) will be held in a designated fund to cover costs related to the Annual Conference.
- 3.3 Any remaining unrestricted reserves will be considered available for use to resource activities and developments identified in the Research Programme, subject to the agreement of the HEDQF Board.

4. Investments

- 4.1 The Charity seeks to produce the best financial return on its investment with an acceptable level of risk.
- 4.2 Investments will be held in funds that support the policies of the Charity.
- 4.3 The Trustees have determined to use a SUTL Charity Multi-Asset Fund Account for this purpose. The performance of this fund will be reviewed on an annual basis.

5. Review

- 5.1 This policy will be reviewed on an annual basis.