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the **enquire**  
learning trust



# Investment Policy



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## Version History

<b>Approved by:</b>	Trustees
<b>Last reviewed:</b>	December 2024
<b>Next review due by:</b>	December 2027

Date	Author	Version	Comment
Dec 2024	JO		New policy - approved

## 1. Aims

This policy aims to ensure that:

- The Trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the Academy Trust Handbook
- The Trust's funds are used in a way that commands broad public support
- Value for money (economy, efficiency and effectiveness) is achieved
- Trustees fulfil their duties and responsibilities as charitable trustees and company directors

## 2. Legislation and guidance

The Academy Trust Handbook (paragraph 2.22) states that academy trusts are required to have an investment policy to:

- Manage and track their financial exposure
- Ensure value for money

This policy is based on the Academy Trust Handbook and guidance from The Charity Commission.

This policy also complies with our funding agreement and articles of association.

## 3. Roles and responsibilities

### Trustees

Trustees will ensure that investment risk is properly managed. When considering whether to make an investment, trustees will:

- Act within their powers to invest, as set out in our articles of association
- Exercise caution in all investments, reducing risk and ensuring that the Trust acts with the utmost integrity
- Take investment advice from a professional adviser, as appropriate
- Ensure that exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- Ensure that all investment decisions are in the best interest of the Trust and command broad public support

Trustees will seek prior approval from the Education and Skills Funding Agency (ESFA) for investment transactions that are novel, contentious or repercussive.

**Novel transactions** are those of which the academy Trust has no experience or are outside the range of normal business activity for the Trust.

**Contentious transactions** are those which might give rise to criticism of the Trust by parliament, the public or the media.

**Repercussive transactions** are those likely to cause pressure on other Trusts to take a similar approach and hence have wider financial implications.

## Finance committee

Academy trustees delegate responsibility for the Trust's investments to the finance committee.

The committee is responsible for:

- Controlling and tracking financial exposure
- Reviewing the Trust's investments
- Reporting to trustees on investments

## The Director of Finance

The Director of Finance (DoF) is responsible for producing cash flow forecasts and for making decisions on investments. The DoF also provides information to the finance committee and trustees, as appropriate.

## 4. Investment principles

We only invest funds in low risk and easily-accessible accounts. Funds will be placed in bank accounts with a withdrawal notice

Risk is managed through diversification of investments, ensuring that the security of funds takes precedence over revenue maximisation.

Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

## 5. Procedures

The following people are authorised signatories:

- Jodie Osbourne (Director of Finance)
- Lynsey Freear (Finance Manager)

Before any funds are invested, the 2 authorised signatories will sign to indicate they agree to the investment (an investment authorisation form can be found in appendix 1).

The following information will be recorded about investments:

- Date
- Amount and description of the investment
- Length of investment
- Interest rates/ expected return

The DoF will review interest rates and compare them with other investment opportunities annually.

Cash flow and current account balances will be monitored regularly by the Finance Manager, to ensure immediate financial commitments can be met and that the current account has adequate balances to meet forthcoming commitments.

When there are funds surplus to immediate cash requirements in the current account, we will transfer these to an account with a higher interest rate.

Investments will normally be for a fixed term that does not exceed 12 months unless there is a clear rationale for longer-term investment that would benefit the Trust.

## **6. Monitoring arrangements**

The DoF monitors the implementation of this policy.

This policy will be reviewed and approved by the academy trustees every 3 years.

## **7. Links with other policies**

This investment policy links with our policies on:

- Finance

### Appendix 1: Investment authorisation form

Date investment made:		Duration of investment:	
Amount:			
Interest rate:		Expected return:	
Description of investment:			
Details of where the investment is held:			
Signatory name print:		Signatory name print:	
Signature:		Signature:	
Date:		Date:	