Investment Policy

Last Reviewed: September 2026

Next Review: August 2027

Cycle: Annual

Version: 2.0

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Changes to this Edition

DATE	DETAILS OF CHANGES
June 2025	First Edition
September 2026	Second Edition (Update Section 3.3)

1.0 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

2.0 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.

3.0 Roles and responsibilities

3.1 Academy trustees

Academy 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 interests of the trust and command broad public support Trustees will seek prior approval from the Department for Education 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.

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

3.3 The chief financial officer (CFO)

The Finance Director is responsible for producing cash flow forecasts and for making decisions on investments. The CFOO & CEO also provides information to the finance committee and trustees, as appropriate.

4.0 Investment Principles

We only invest funds in low risk and easily-accessible accounts. Funds will be placed in bank accounts with a withdrawal notice of no more than 95 days.

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 to a maximum of the FSCS deposit protection limit.

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5.0 Procedures

The following people are authorised signatories: CEO, CFOO, FD.

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

Cash flow and current account balances will be monitored regularly by the CFO 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 1 year unless there is a clear rationale for longer term investment that would benefit the trust.

A maximum of £85,000 will be placed with 1 financial institution. This is because the first £85,000 of an investment is protected by the Financial Services Compensation Scheme.

Funds, and any interest earned on those funds, will be automatically reinvested unless money is required for immediate or anticipated expenditure.

6.0 Monitoring Arrangements

The CFO monitors the implementation of this policy.

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

7.0 Links with other policies

This investment policy links with our policies on:

- Finance

8.0 Appendices

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**	

Appendix 1 – Investment Authorisation Form