



Investment Policy

Category:	Finance	
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Version	1	
Status:	Under Review:	
	Approved:	✓
	Adopted:	✓
Issue Date:	December 2018	
Next Review Date:	December 2021	
Statutory Policy:	Yes	✓
	No	

Contents

<u>Section</u>	<u>Page</u>
1. Scope	3
2. Policy Statement	3
3. Principles	3
4. Definition of Terms	3
5. Procedure	3
6. Equality Statement	4
7. Monitoring of Policy	4

1 – Scope

- 1.1.1 This policy applies to all Members, Trustees and Governors across the Transforming Lives Educational Trust. This procedure aims to outline the circumstances under which the Trust will invest surplus funds.

2 – Policy Statement

- 2.1 The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation.
- 2.2 In addition, the Trust aims to invest surplus cash funds to optimise returns, whilst ensuring that the investment instruments are such that there is no risk to the loss of these cash funds.

3 – Principles

- 3.1 Ensure that adequate cash balances are maintained in the current account to cover day-to-day working capital requirements.
- 3.2 Ensure there is no risk of loss in the capital value of any cash funds invested.
- 3.3 Protect the capital value of any invested funds against inflation.
- 3.4 Optimise returns on invested funds.

4 – Definition of Terms

- 4.1 The Trust – Transforming Lives Educational Trust

5 – Procedure

- 5.1 It is the responsibility of the Chief Finance Officer to recommend investment opportunities to the Finance and Resources Committee.
- 5.2 Where sufficient funds exist, the Chief Finance Officer should seek to recommend multiple investment opportunities with the aim of realising maximum safeguarding and yield from any investment/s.
- 5.3 Any investment must be ratified by the Board of Trustees, following approval from the Finance and Resources Committee.
- 5.4 Regular cash flows are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding supply creditors that are due for payment.
- 5.5 Where the cash flow identifies a base level of cash funds that will be surplus to requirements, these may be invested in the following:
 - 5.5.1 Internet bearing instant access deposit accounts with any of the high street banks;
 - 5.5.2 Other authorised institutions defined by the Financial Services Authority (<http://www.fsa.gov.uk/consumerinformation/compensation/brands>);
 - 5.5.3 Treasury deposits, with maturity dates which do not result in the cash funds being unavailable for longer than 8 weeks.

- 5.6 Periodically (at least every 6 months) and starting from 1st April 2018, the Chief Finance Officer will review the interest rates being achieved and will compare with other investment opportunities that comply with the parameters of this policy.
- 5.7 Accounts may be switched to a higher interest account within the same bank, but any change of bank must be referred to the Finance and Resources Committee.
- 5.8 Draw-down and re-allocation of invested funds is done so under the authority of the Board of Trustees, following recommendation from the Finance and Resources Committee.

6 – Equality Statement

- 6.1 This policy has been equality impact assessed and we believe that it is in line with the Equality Act 2010 as it is fair, it does not prioritise or disadvantage any individual (with due regard to their protected characteristics), and it helps to promote equality across the Trust.

7 – Monitoring

- 7.1 It is the responsibility of the Board of Trustees, and those they delegate authority, to ensure that the principles and procedures of this policy are adhered to. The use of this policy will be subject to routine monitoring to ensure its fidelity in practice. The evidence gathered from monitoring at regular intervals shall inform any reviews and future revisions to the policy, and no later than that stated on Page 1 of this policy.