

INVESTMENT POLICY

Learning Academies Trust

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Approved by: Finance Committee
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CONTENTS

1. Aims.....	2
2. Legislation and Guidance	2
3. Definitions	3
4. Roles and Responsibilities	3
5. Investment Principles	4
6. Procedures	4
7. Monitoring Arrangements	5

CHANGES

Policy date	Summary of change	Author	Version	Review date
07/07/2020	Policy has been created.	Kay Mabin, CFO	1.0	07/07/2022
01/12/2022	Policy has been reviewed. 5. Investment principles paragraph updated to reflect 12 month investment period.	Kay Mabin, CFO	2.0	01/12/2024

1. AIMS

This policy aims to ensure that:

- The academy 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 states that academy trusts are required to have an investment policy to:

- Manage, control 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. DEFINITIONS

Term	Definitions
ATH	Academy Trust Handbook
CFO	Chief Finance Officer

4. ROLES AND RESPONSIBILITIES

4.1 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 that 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 Education and Skills Funding Agency for investment transactions that are novel or contentious.

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, and the media

4.2 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

4.3 The Chief Finance Officer

The Chief Financial Officer (CFO) is responsible for producing cash flow forecasts and for making decisions on investments. The CFO also provides information to the finance committee and academy trustees, as appropriate.

5. 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 12 months.

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

6. PROCEDURES

The following people are authorised signatories:

- Simon Spry, CEO and Accounting Officer
- John Butcher, Chair of Trust Board
- Cheryl Brake, Executive Headteacher
- Kay Mabin, Chief Finance Officer
- Claire Upton, Deputy Chief Finance Officer
- Madeleine Wakeham, Accounting Technician

When any funds are invested, 2 authorised signatories will be present to make the call to the money market desk of the financial institution to indicate they agree to the investment. An email confirmation of the investment is then emailed to the Chief Finance Officer and shared with the CEO on receipt and reported to the finance committee at the next meeting.

The following information will be recorded about investments in the finance committee meetings:

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

The CFO 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 one year unless there is a clear rationale for longer-term investment that would benefit the trust.

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

7. MONITORING ARRANGEMENTS

The CFO monitors the implementation of this policy.

This policy will be reviewed and approved by the academy trustees every 2 years.