

drb Ignite Multi Academy Trust

Investment Policy

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1. Policy purpose

- 1.1 This policy sets out the rules by which the Trust invests its money and explains the Trust's approach to this investment.
- 1.2 The Board of Trustees is given the freedom to invest to further the Trust's charitable aims. They must, however, ensure that investment risk is properly managed.
- 1.3 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.
- 1.4 The Trust aims to invest surplus cash funds to optimise returns, ensuring the investment instruments used are such that there is low risk to the loss of these cash funds.

2. Policy principles

- 2.1 To ensure adequate working capital is maintained at all times.
- 2.2 To identify and manage the financial risks, including interest rate risk to enable the Trust to track exposure.
- 2.3 To protect the capital value of any invested funds against inflation.
- 2.4 To optimise returns on surplus cash balances for the benefit of the Trust's charitable aims and objectives.
- 2.5 To ensure value for money.
- 2.6 To take financial advice from qualified professionals as part of the decision-making process ensuring reasonable cost to deliver identifiable value for money.
- 2.7 To ensure that exposure to investment products is tightly controlled so that the security of funds takes precedence over revenue maximisation.
- 2.8 To ensure compliance with all banking mandates.
- 2.9 To ensure compliance with the Academies Financial Handbook, ESFA requirements, Trust Funding Agreement, Articles of Association, Companies Act (2006), Charities Act (2011), Companies (Trading Disclosure) Regs 2008, and the 7 Nolan Principles of public life.
- 2.10 To develop and maintain strong, long term relationships with the Trust's bankers.

3. Procedures

- 3.1 The Chief Financial Officer will regularly monitor *Cash Flow* and the individual *Current Account* balance to ensure that all immediate financial commitments can be met.
- 3.2 The Chief Financial Officer must ensure that the *Current Account* does not become overdrawn.
- 3.3 The Chief Financial Officer will identify any funds surplus to the immediate and forthcoming cash requirements and transfer them to the money market which attracts a higher interest rate.
- 3.4 Any reserves that are being held for a longer period of time will be available for investment in a low risk investment portfolio with Banks authorised and monitored by the *Financial Services Authority*.
- 3.5 All investments will be made in accordance with the Trust's Financial Scheme of Delegation.

4. Ethical and appropriate investment

- 4.1 It is the intention of the Trust to invest in ways that are consistent with the values of the Trust.
- 4.2 The Trust will ensure that any Bank or fund managers responsible for the Trust's investments are operating to socially responsible objectives consistent with those of the Trust.

5. Approved investments

- 5.1 Investments will only be made with organisations that meet the AA-minimum rating.


6. Treasury reporting

- 6.1 An investment report will be presented at the Finance and Audit and Risk Committee meetings.

7. Policy review

- 7.1 This Policy will be monitored as part of the Trust's annual internal review and reviewed on a three-year cycle or as required by legislature changes

8. Change Management

Monitoring and review	Director of Finance (CFO) CEO Trust Board
Links	GAG Pooling Policy Governance Charter and Scheme of Delegation Financial Procedures Manual
Staff responsible	Director of Finance (CFO), CEO, Finance Committee, Trust Board
Committee responsible	Finance Committee and Trust Board
Reviewed	March 2021
Next review	March 2023
Sign off by Chair of Trust	 Date: March 2021

Change Management

Issue No.:	Change date:	Change description:
1.0	Nov'18	Initial release
2.0	Nov'19	Review
3.0	Feb'20	Review
4.0	Feb'21	Review
5.0	Mar'21	Review