



## INVESTMENT POLICY

Approved by FRP November 2023  
Ratified by Full Governing Body December 2023  
Due for review November 2024

### Public Sector Equality Duty

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We have carefully considered and analysed the impact of this policy on equality and the possible implications for those with protected characteristics, as part of our commitment to meet the Public Sector Equality Duty (PSED) requirement to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations.

## INTRODUCTION

This policy governs the investment strategy of St Peter's Catholic Voluntary Academy Trust (the School).

## OBJECTIVES

The School's Governing Body takes a prudent approach to managing the public money entrusted to it. The aim of this policy is to ensure that any money that is not required to cover anticipated expenditure is invested so as to maximise the School's income, but without risk.

The investment objectives are:

- 1) to ensure that adequate cash balances are maintained in the current account to cover day to day working capital requirements; and
- 2) to invest surplus cash funds to optimise returns but ensuring that investment instruments are chosen such that there is no risk of loss of capital.

## RESPONSIBILITIES

The Governing Body is responsible for ensuring that investment risk is properly managed. When considering whether to make an investment, the Governing Body will:

- act within its powers to invest, as set out in the School's Articles of Association;
- exercise caution in all investment decisions;
- 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; and
- ensure that all investment decisions are in the School's best interests.

The Finance, Resources and Premises Committee is responsible for reviewing the Investment Policy on an annual basis to ensure continuing appropriateness, for approving long term deposits as detailed below, and for reviewing cash flow forecasts and deposits held on a termly basis. The Headteacher and School Business Manager are authorised to withdraw and deposit funds from and into liquid investments, subject to the limits detailed below.

The School Business Manager/ Finance Manager is responsible for maintaining and monitoring a reliable rolling 12 month cash flow forecast as a basis for decision making. He/she will report deposits held, classified by maturity dates, to the FRP on a termly basis.

## STRATEGIC PLAN

Adequate cash balances must be maintained to ensure that there are always sufficient funds in the School's current account to cover financial commitments such as payroll and day-to-day expenses. Surplus funds will be considered for investment.

A rolling 12 month cash flow forecast is to be maintained and monitored to ensure there are adequate liquid funds to meet all payments due. The cash flow forecast will take account of the annual budget and spending plans approved by the Governing Body and will be updated on a monthly basis. Where the cash flow forecast identifies cash funds that will be surplus to requirements these may be invested only with the School's bankers, Lloyds, and only in the following:

- 1) interest bearing instant access deposit accounts; or
- 2) time deposits, with maturity dates of up to 12 months.

The investment of School funds in other investment products is not authorised due to the higher risk attached.

Funds can be placed in time deposits for periods as authorised below:

<b>Length of time deposit</b>	<b>Authorisation required</b>
Up to 3 months	School Business Manager or Headteacher
Between 3 and 6 months	School Business Manager and Headteacher
Over 6 months	FRP Committee

## MONITORING

The School Business Manager monitors the implementation of this policy.

The Finance, Resources and Premises Committee reviews this Investment Policy on an annual basis to ensure continuing appropriateness.