

SPECIALIST LEARNING TRUST

INVESTMENT POLICY

Date approved by Trustees	13 th May 2020
Date of next review	Summer 2023

1. Statement of Intent

- 1.1 The Specialist Learning Trust has developed this policy to protect its operations by creating financial support against an unpredictable environment and to ensure there is sufficient provision for future procurement and cash flow requirement. This policy also aids the framework for future strategic planning and decision making.

2. Introduction

- 2.1 The Academies Financial Handbook 2019 states:

The Board of Trustees may invest to further their trust's charitable aims, but must ensure that investment risk is properly managed. When considering making an investment the Board of Trustees must:

- act within their powers to invest as set out in their articles of association;
- have an investment policy to manage, control and track their financial exposure, and ensure value for money particularly if using unfamiliar investment techniques;
- exercise care and skill in all investment decisions, taking advice as appropriate from a professional adviser;
- ensure that security takes precedence over revenue maximisation;
- ensure that all investment decisions are in the best interests of the trust and command broad public support;
- review the trust's investments and investment policy regularly.

- 2.2 The Board of Trustees should refer to the Charity Commission's publication CC14 Charities and Investment Matters: A Guide for Trustees for further guidance.

- 2.3 The Board of Trustees of Specialist Learning Trust will have a cautious approach to investments. The EFA's prior approval must be obtained for investment transactions which are novel and/or contentious.

3. Policy Objectives

- 3.1 The objective is to spend the public monies with which the Academy is entrusted for the direct educational benefit of the pupils as soon as is prudent. Specialist Learning Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow. Good financial returns mean that more money can be spent on educating pupils.

- 3.2 The main aims are:

- to ensure adequate cash balances are maintained in the school current accounts to cover day to day working requirements;
- to ensure there is no risk of loss in capital value of any cash funds invested;
- to protect the capital value of any invested funds against inflation.

- 3.3 The Trust will adhere to the Charity Commission's guidance for trustees about investments, and seek prior approval from the ESFA for investments of any value that are novel, contentious or repercussive.

4. Investment Vehicle

4.1 Currently the Trustees only give approval for the school to place surplus funds on 32 day deposit with its current bankers, Lloyds, providing the following guidelines are adhered to.

5. Guidelines

5.1 The Chief Financial Officer is required to prepare and monitor cash flow to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment;

5.2 Where a cash flow analysis identifies a level of cash funds that will be surplus to requirements these may considered to be placed on 32-day deposit with Lloyds Bank;

5.3 A rationale, supported by a cash flow analysis must be prepared by the Chief Finance Officer, and signed as authorised by the Headteacher prior to any funds being placed on deposit;

5.4 No other form of investment must be undertaken without prior approval of the Board of Trustees;

5.5 Funds on deposit must be clearly shown when undertaking monthly bank reconciliations and must remain included within the academy finance system;

5.6 A monthly review of funds placed on 32-day deposit must be undertaken to ensure that there are sufficient liquid funds available to meet financial commitments going forward.