



Investment Policy and Procedures

DISTRIBUTION	This is a Trust-wide policy and applies to all staff within the Trust.		
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RATIFIED BY THE TRUSTEES OF THE FALLIBROOME TRUST			
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POLICY REQUIREMENT	STATUTORY		

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The Fallibroome Trust (Company number: 07346144). A company incorporated as private limited by guarantee.
Registered Office situated in England and Wales

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POLICY

PURPOSE

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

SCOPE

This procedure applies to all employees of the Fallibroome Trust, Trustees and Local Governing Bodies

CHANGES IN THIS VERSION

- Roles and responsibilities have been amended to include the role of the Finance Director as well as the Chief Financial Officer (reviewed by Finance Committee Oct-23)
- Investment principles have been amended; previously long notice accounts were only used where there was a good reason to set the funds aside e.g. 3G pitch sinking fund. Interest rates and bank balances have increased significantly since the last policy review so a change to this principle is recommended. (reviewed by Finance Committee Oct-23)
- Removal of recommended £85k limit (following discussion at Finance Committee Oct-23)
- Approval process adjusted to ensure appropriateness for Trust central budget as well as schools (requested by the Oct-23 Finance Committee)

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.

ROLES AND RESPONSIBILITIES

Trustees

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

Trustees will not permit 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.

The Chief Financial Officer

The chief financial officer (CFO) is responsible for

- ensuring appropriate cashflow reporting is in place to enable decisions on investments to be made,
- appropriate internal assurance in relation to compliance
- reporting on risk to the Audit Committee.

The Finance Director

The Finance Director is responsible for

- cashflow monitoring and management,
- recommending and arranging suitable investments,
- ensuring these procedures are followed
- reporting to the Finance Committee.

INVESTMENT PRINCIPLES

We only invest funds in low risk accounts, where capital is not deemed to be at risk. Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings. Funds will only be placed in long notice accounts (in excess of 90 days) where there is no likelihood that the school or Trust will require access to those funds during the notice period.

PROCEDURES

Before any funds are invested, 2 separate signatories will sign to indicate they agree to the investment, one of which will be the Headteacher of the relevant school, or the CEO or CFO for the Central funds, and the other will be the Trust Finance Director or CFO. An investment authorisation form can be found in Appendix 1.

The following information will be recorded about investments:

- Date

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

The Finance Director will review interest rates and compare them with other investment opportunities annually. Cash flow and current account balances will be monitored regularly by the Finance Director 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 medium term 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 will be automatically reinvested unless money is required for immediate or anticipated expenditure.

MONITORING

The Audit Committee monitors the implementation of this policy and receives termly risk updates from the CFO

REVIEW

This policy will be reviewed in line with changes in legislation and best practice, a minimum of every three years.

APPENDIX 1: INVESTMENT AUTHORISATION FORM

Date investment made	<input type="text"/>	Duration of investment	<input type="text"/>
Amount	<input type="text"/>		
Interest rate	<input type="text"/>	Expected return	<input type="text"/>
Description of investment			
<i>State what type of investment is being made and how it will benefit the academy trust</i>			
Details of where the investment is held			
<i>Insert name and address of bank or building society</i>			
Signatory name print	<input type="text"/>	Signatory name print	<input type="text"/>
Signature	<input type="text"/>	Signature	<input type="text"/>
Date	<input type="text"/>	Date	<input type="text"/>