



# INVESTMENTS POLICY

22.03.18

# Policy Approval Investments Policy

## Holy Family Catholic Multi MAC Company

This Investment Policy has been approved and adopted by the Holy Family Catholic Multi Academy Company on 22<sup>nd</sup> March 2018 and will be reviewed annually, any amendments by the ESFA to the Academies Financial Handbook before the review date will be automatically adopted.

Signed by Director of the Academy Trust Company:



Kayleigh Sterland-Smith - Chair of Directors

Signed by Headteacher/ Executive Headteacher:



## Investments Policy

### Principles

The Holy Family Catholic Multi Academy Company (the MAC) 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. In addition, the MAC aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

### Purpose

- To ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements
- To ensure there is no risk of loss in the capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimise returns on invested funds.

### Guidelines

The MAC is able to invest any excess funds (over and above the required day to day funds) in the following types of investment:

- Cash Management accounts
- Term deposit accounts or instant access deposit account
- Accepted or endorsed bills of exchange
- Negotiable, convertible or transferrable certificates of deposit

Funds can only be invested over a period where the funds are not required for day to day activities and with reference to the MAC's cash flow.

The investment of school funds in shares or other financial products is not allowed due to the higher risk attached to these investments.

The Board of Directors will ensure that MAC funds are only invested with financial institutions, specifically Banks and Credit Unions, which are regulated by the FCA.

Any investments made must only be done so after a full review of available investments in order to maximise the return from funds in excess of those the MAC holds in the main bank account for day to day activities.

## Implementation

In the current financial climate, with interest rates at an all-time low, only funds not required for day-to-day financing over £500,000 should be invested. Funds can be invested for periods as authorised below;

Period of time funds held on deposit	Authorisation required
Up to eight weeks	Chief Financial Officer
Over eight weeks up to six months	Accounting Officer and Chief Financial Officer
Over six months up to twelve months	Chair of Audit and Resources, Accounting Officer and Chief Financial Officer
Over twelve months	Chair of Board of Directors, Accounting Officer and Chief Financial Officer

## Terms

- The Audit and Resources Committee, as delegated by the Board of Directors, shall formally minute, and review annually, this investment policy.
- The Audit and Resources Committee shall monitor investments annually for compliance with this policy.
- All investment accounts will be recorded on the Finance System, shall be in the name of the MAC and recorded in an Investment Register.
- The MAC shall not deposit money directly to, or make payments directly from, an investment account. All receipts and payments must go through the MAC's main bank account with investment funds transferred to/from the investment account. Exceptions to this are; interest earned and paid directly into an investment account.
- Investments can only be made with the authorisation of the Chief Financial Officer.
- On maturity of an investment, the Chief Financial Officer shall review the cash requirements of the school and decide whether the funds are to be reinvested or utilised.
- The Investment Register must be updated with any changes to invested monies and regularly reconciled with bank statements and certificates.

- The MAC shall retain the following information in regards to investment of funds; Board of Directors / Audit and Resources minutes containing approval of the investment policy, approval of investments and details of changes to investment account particulars, Investment Register and Bank Statements or Certificates.