



## Denmark Road High School Investment Policy

**Reviewed: March 2020**

This Policy has been formally approved and adopted by The Governing Body at a formally convened meeting.

This Policy will be reviewed every 3 years by the Trust Board.

Policy Approved: \_\_\_\_\_  
DocuSigned by:  
*Richard Bowman*  
FFBD3CFF4EA24B4...  
*(Chair of Trustees)*

Date: 23-Sep-2020

Name of signatory (please print): \_\_\_\_\_



# Investment Policy

## Revision History

Date of revision	Changes made
Mar-2020	1. 1 <sup>st</sup> Issue (based on The Keys for Governors Model policy)
Sep-2020	1. .Updates to reflect change in Trust board governance structures. References to business management committee removed



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# Investment Policy

## 1 Aims

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 Academies Financial 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

## 2 Legislation and guidance

The [Academies Financial 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 Academies Financial Handbook and guidance from [The Charity Commission](#). This policy also complies with our funding agreement and articles of association.

## 3 Roles and responsibilities

### 3.1 The Trust Board

The Trust Board is required to ensure that investment risk is properly managed. As such, 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
- 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
- Ensure that all investment decisions are in the best interests of the trust and command broad public support

Trustees will seek prior approval from the Education and Skills Funding Agency for 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.

At this time it is the school's policy not to make financial investments other than current account deposits and transactions. Any change to this policy will require approval by the Governing Body.

### 3.2 Finance Review Panel

The Finance Review panel, on behalf of the Trust Board is responsible for reviewing the school's finances and recommending whether a change to the investment policy is worthy of consideration.



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## 3.3 The chief financial officer

The chief financial officer (CFO) is responsible for producing cash flow forecasts and for making recommendations on investments. The CFO also provides information to the business management committee and Governing Body as appropriate.

## 4 Investment principles

At this time we only deposit funds in current accounts.

Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

## 5 Procedures

Authorised signatories are as defined in the Schedule of Delegations.

Cash flow and current account balances will be monitored regularly by the CFO to ensure immediate financial commitments can be met and that the current account has adequate balances to meet forthcoming commitments.

The CFO will advise when there is expected to be a sufficient surplus of funds to warrant the consideration of altering the school's investment policy.

## 6 Monitoring arrangements

The CFO monitors the implementation of this policy.

This policy will be reviewed and approved by the academy trustees every 3 years or as required based on the financial position of the school.

## 7 Links with other policies

This investment policy links with our policies on

- Schedule of Delegations
- Finance Policy
- Accounting Policy