



# **POLICY DOCUMENT**

## **Investment Policy**

Approved by FRAC:  
6<sup>th</sup> November 2023

Date for review:  
November 2024

<b>Document Control</b>	
Title	Investment Policy
Purpose	To outline that the Trust's investments approach is to ensure surplus funds are adequately identified and only invested in low risk funds.
Supersedes	Previous version
Amendments	Updates to the title CFO
Related Policies/Guidance	Academies Trust Handbook
Author	Sheryl Cardwell
Approved Level	FRAC – Statutory Policy
Date adopted	6 <sup>th</sup> November 2023
Expires	November 2024
Signature of Chair	
<p><b>Wise Owl Trust</b>  is a Multi Academy Trust  Registered in England and Wales number 8053288  Registered Office: Trust House, c/o Seymour Road Academy, Seymour Road South, Clayton,  Manchester, M11 4PR</p> <p>The Wise Owl trust has a number of Trust-wide policies which are adopted by all the academies in the Trust to ensure an equitable and consistent delivery of provision. The Trust Board has responsibility for the operation of all academies and the outcomes of all students; however, responsibility is delegated to the Local Governing Body of each school via the Scheme of Delegation.</p> <p>Within our policies reference to:</p> <ul style="list-style-type: none"> <li>• Governing Body/Governors relate to the members of the Local Governing Body representing the Trust Board, known at Wise Owl Trust as Local School Committee Boards.</li> <li>• School includes a reference to school or academy unless otherwise stated.</li> <li>• Headteacher includes a reference to Headteacher, Principal or Head of School of a school or academy.</li> </ul>	

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## 1. Purpose

Wise Owl Trust is expected to create contingency reserves from their annual GAG funding or other income. This will be achieved through joint procurement, economies of scale and any additional income generation

The purpose of this policy is to outline that the Trust's investments approach is to ensure surplus funds are adequately identified and only invested in low risk funds.

## 2. Investment Management & Cash Holding

Investment of cash will be managed by the Chief Finance Officer.

Cash is held for 5 main reasons:

- Cashflow management to ensure employees and suppliers can be paid
- Where the organisation is growing and needs to build capacity in advance of need
- As a safety net against reduced funding to allow time for correction of any organisation structure, paying for any short term deficit and subsequent restructuring costs
- To allow for investment in vital infrastructure and teaching/learning equipment on a needs basis
- To meet any short term emergencies

The target level of cash held and deployment will be reviewed as part of the annual budget process.

## 3. Investment of Funds

The priority is to avoid high levels of risk by ensuring any investments are in bank-based notice accounts.

Risk-free bank deposit accounts are deemed the most appropriate place to invest surplus funds to comply with ESFA requirements.

- Working capital to be invested in Lloyds current accounts or equivalent. It is recognised that a small amount of interest is payable on this balance but that Lloyds also offer academies free banking which results in the lower interest rate
- Surplus cash may be invested in a mixture of notice accounts of up to one year with Lloyds Bank or a similar reputable UK based banking provider to earn higher interest rates but to ensure that this does not impact on cashflow

Balances invested should be reported to Finance, Risk & Audit Committee.

## 4. Review of Policy

This policy will be reviewed by the Finance, Risk and Audit Committee annually in the autumn term. Changes to the policy will be recommended by FRAC for approval by the Trust Board.

