



Wise Owl Trust Investment Policy v1

Approved by Wise Owl Trust: November 2022

Due for review: November 2023

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 and Operations 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.



Empathy

Excellence

Empathy

Excellence

Resilience

Passion

Self-Aware

Resilience

Passion

Self-Aware

Communication

Teamwork

Communication

Teamwork