



Investment Policy

March 2019

SALT Vision Statement:

“Be Extraordinary”

Mission Statement:

We believe that young people achieve their fullest potential when they have a vision of everything their lives could become. The Bible (John 10:10) quotes Jesus as saying, “I have come that they may have life and may have it in all its fullness”. As academies, we commit ourselves to inspiring our students, and equipping them with the resilience and determination to unlock their unique gifts and realise their highest aspirations. We aim to achieve this through following distinctively Christian principles, and focusing on four key areas, service, achievement, leadership and teamwork.

Reviewed and approved by Sentamu Academy Learning Trust Board of Directors on 11.03.19

Next review due March 2020

Sentamu Academy Learning Trust

1.0 Principles

The treasury requirements of the Trust are to ensure sufficient cash balances are always maintained to provide adequate liquidity to cover its on-going operational working capital needs, and that any additional funds after this are identified correctly and invested expeditiously. The Trust aims to invest surplus funds to optimise returns but will **never** invest in a way which puts the initial deposit at risk of loss or reduction.

2.0 Purpose

- To ensure adequate cash balances are maintained in all the current accounts to cover day to day working capital requirements
- To ensure there is no risk or loss in the capital value an any cash fund invested
- To use best endeavours to protect the capital value of any invested funds against inflation
- To optimise returns on invested funds

3.0 Banking Arrangements

Only the Trust Board can decide which bank(s) the Trust will use. A decision on this matter recorded in official minutes can be used by delegated employees to open new accounts or deposit funds. The Trust Board delegate these powers and the authority to be their administrators to:

- The Chief Executive Officer (CEO)
- The Chief Accounting Officer (CFO)

All Trust mandates must be structured in a manner that requires both delegated employees to sign for all mandate changes, movement of funds or withdrawals. All sub mandates within the banking structure must have a two-step authorisation mechanism.

4.0 Guidelines

The Trust is able to invest any excess fund in the following types of investment:

- Cash Management accounts
- Fixed term deposit accounts
- Instant access deposit accounts

All investments must be decided with reference to the terms set out in this policy and the Trust's cash flow model.

All investments must give due consideration to the Trust's reserves policy and funds already committed, but not yet spent.

The Trust will always invest its funds with institutions registered with FSA.

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 required to cover the day to day activities of the Trust.

The CFO will ensure the cash flow models are kept up to date and will review all investment and fund requirements upon maturity.

All initial deposits, additional deposits to funds and withdrawals must be authorised by the CFO.

All funds must be reconciled monthly are part of the management accounts.

The Board will review all investments termly to ensure this policy has been adhered to.

The Board will review and minute the investment policy annually in September or October.

The Trust will retain all minutes pertaining to decisions made on investments or banking, bank statements and any other relevant banking documentation.

5.0 Thresholds for general investments

Sums up to £500,000

Up to four months	CFO
Four months to a year	CEO and CFO
Over 12 months	CEO and CFO to propose – Board to approve
Sums overs £500,000	CEO and CFO to propose – Board to approve

6.0 Lifecycle fund

Background – this fund is effectively a prepaid creditor payment for future building maintenance and capital works. The funds are held in a bank account in the name of Trust. This account differs to all other accounts as ‘Esteem’ (LEP) are co-signatories on the account, meaning the Trust cannot withdraw funds from this account without Esteem’s approval.

As per the terms of the facilities management contract, the fund must be held in an interest-bearing account.

The decision on how to invest this fund is made between the Trust’s CFO and Esteem’s General Manager.

The CFO must apply the principles of this policy to any investment decision relating to this fund and report to the Trust board on the balance and performance of the fund.