

Investment Policy

This policy (and its procedures) applies across all partner schools in the Stephen Sutton Multi-Academy Trust (SSMAT). It is available on the SSMAT website and is accessible from our schools' websites.

POLICY APPROVAL and REVIEW

Review date: **March '21**

Approval needed by: **Audit and Risk Committee**

Adopted: **April '18**

Next review date: **March '23**



1. Principles / Purpose of Policy

1.1 The Trust manages its cash balances in order to:

- ensure that adequate funds are available in the current account to cover day-to-day working requirements; and
- invest any significant cash surpluses / reserves, in order to optimise the return on this investment, within the constraints that there must be no risk of loss in value, due to the nature of the investment.

2. Investment Strategy

2.1 The Trust reviews levels of reserves annually. This review takes into account the nature of income and expenditure streams and the need to match commitments with income.

2.2 At the point where bank reserves exceed £400,000, the investment strategy below applies:

- Regularly monitor cash flow and current account balances, to ensure that immediate financial commitments can be met (including payroll and other payments runs) and that the current account has adequate balances to meet forthcoming commitments.

[The Trust will not allow its current accounts to go overdrawn.]

- Identify funds surplus to immediate cash requirements and transfer these reserves to a high interest deposit account.

[The Trust's policy is to only invest funds in risk-free and short-term interest bearing accessible deposit accounts and/or risk-free investment accounts authorised by the Financial Services Authority.]

- Periodically (at least annually) review interest rates and compare with other investment opportunities, considering alternative secure investments.

3. Policy Change

Any change in policy, or deviation of any type, from this Policy, requires the explicit approval of the Trust Board.

Stuart Jones / Sharon Thorp; reviewed March '21