Carlton Academy Trust
Investment policy

Approved on behalf of Trustees:	**Gareth Logan**
Date:	**September 2021**
Next Review Date	**September 2022**

Aims

This policy aims to ensure that:

- Trust monies are used in accordance with the law, its articles of association, its funding agreement, and the Academies Financial Handbook.
- Value for money is achieved
- Trustees fulfil their duties as charitable Trustees and company directors

Roles and Responsibilities

Trustees

Trustees will ensure that investment risk is properly managed. When considering whether to make an investment, they will:

- Act within their powers to invest, as set out in the Articles of Association.
- Exercise caution in investments, so that security of funds takes precedence over revenue maximisation.
- Take professional advice, where appropriate.
- Ensure that all investment decisions are in the best interests of the Trust and command broad public support

Trustees must seek prior approval from the Education and Skills Funding Agency for Novel or Contentious investments, defined as those which the Trust has no experience, or are outside the range of normal business activities.

Chief Financial Officer

The Chief Financial Officer (CFO), alongside the CEO, is responsible for researching and recommending investments to Trustees.

Investment Principles and Procedures

The Trust only invests in low-risk deposit accounts with no risk to capital. These will be regulated by the Financial Conduct Authority and possess good credit ratings. Investments are normally for no longer than a year's term to enable easy access to funds, unless there is a clear rationale supporting a longer term. Where possible, a maximum of £85k will be invested in one institution, in line with protection offered by the Financial Services Compensation Scheme. However, it is acknowledged that this is increasingly problematic with larger levels of Trust reserves.

Any investment decision must be agreed by the CEO, CFO and Chair of Trustees or through a resolution at a Risk and Audit committee meeting. Decisions will be formally recorded noting the description of investment, date, amount, duration, and expected returns.

The CFO and CEO will review investments on a regular basis to ensure returns are maximised. Cash flow will be monitored by the CFO to ensure immediate financial commitments can be met and the current account has adequate balances to meet forthcoming commitments.