

INVESTMENT POLICY

Prepared By	Chief Financial Officer
Approved By	Hamwic Education Trust Board of Directors
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This document sets out the scope under which Hamwic Education Trust (the Trust) will invest any excess funds.

For the purpose of this document, all references to the Trust refers to Hamwic Education Trust, Hamwic Trust and all associated multi-academy trusts & academies.

This document uses guidance from the following:

- Academies Financial Handbook 2017
- Charities and Investment Matters: A Guide for Trustees

Introduction

The Trust is able to invest funds to further its educational aims. The Board of Directors are committed to ensuring that security of funds takes precedence over revenue maximisation and that any investment decisions are in the best interests of the Trust.

Policy

The Chief Financial Officer will regularly monitor cash flow across the Trust bank accounts to ensure:

- That immediate financial commitments can be met (payroll and supplier payments); and
- That all bank accounts will have a balance sufficient to meet forthcoming commitments. In practice a working balance of no less than £100,000 is to be maintained.

The Chief Financial Officer will identify any funds surplus to the immediate and forthcoming cash requirements set out above (up to a cumulative maximum of £1,000,000) and transfer them to a deposit account which bears higher interest rates. The CEO will approve the transfer of any surplus funds cumulatively over £1,000,000.

The Trust will only invest funds in risk free deposits with well known, “high street” institutions in order to minimise risk.

The Trust will not invest in a fixed term of over 6 months without the prior approval of the Board of Directors.

The Chief Financial Officer will periodically (at least annually) review interest rates and compare with other investment opportunities.

The Trust will not allow its bank accounts to become overdrawn.