



THE CONSORTIUM
ACADEMY TRUST

Investment Policy

The Consortium Academy Trust (TCAT)
An Exempt Charity Limited by Guarantee
Company Number 07665828

Status:	Live
Policy Owner (position)	Director of Finance
Statutory / Recommended	Recommended
Date Adopted	7 March 2018
Review Period	24 months
Last Review Date	31 March 2020 extended to October 2020 (FRC meeting March 2020)
Revision	1
Next Review Date	October 2022
Advisory Committee	Finance & Resources
Linked Documents and Policies	Financial Regulations

This Policy shall be reviewed in accordance with the above review date or earlier should there be a legal requirement, business requirement or any collective agreement that necessitates a change.

1.0 Introduction

- 1.1 The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation.
- 1.2 In addition, the Trust aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

2.0 Purpose

- 2.1 To ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements.
- 2.2 To ensure there is no risk of loss in the capital value of any cash funds invested.
- 2.3 To protect the capital value of any invested funds against inflation.
- 2.4 To optimise returns on invested funds.

3.0 Guidelines

- 3.1 Management of the Trust's cash will be undertaken by the Director of Finance.
- 3.2 The Trust is able to invest any excess funds (over and above the required day to day funds) in the following type of accounts:
 - Cash Management accounts
 - Term deposit accounts or instant access deposit accounts
- 3.3 Funds can be invested over a period where the funds are not required for day to day activities and with reference to the Trust's cash flow.
- 3.4 The investment of Trust funds in shares or other financial products is not allowed due to the higher risk attached to these investments.
- 3.5 The Director of Finance will ensure that Trust funds are only invested with financial institutions which are regulated by the FCA.

4.0 Implementation

- 4.1 The authorisation required for investment depends on the length of deposit:

Length of deposit	Authorisation required
Up to 6 months	Director of Finance
Over 6 months, up to 12 months	CEO & Director of Finance
Over 12 months	Finance & Resources Committee, CEO & Director of Finance

- 4.2 Regular cash flow forecasts are to be prepared and monitored to ensure there are adequate liquid funds to meet all commitments that are due for payment.
- 4.3 Periodically the Director of Finance will review the interest rates being achieved and compare with other investment opportunities that comply with the parameters of this policy.
- 4.4 Invested funds will be reported to the Finance & Resources Committee at the next available meeting, outlining the maturity date and interest rate achieved.