



THE CONSORTIUM
ACADEMY TRUST

Shaping Positive Futures

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	12 months
Last Review Date	January 2024
Revision	3
Next Review Date	Under Review
Advisory Committee	Finance, People & Resources
Linked Documents and Policies	Financial Regulations

**NB – This document can only be considered valid when viewed on The Consortium Academy Trust website. If the copy is printed or downloaded and saved elsewhere the Policy date should be cross referenced to ensure the current document is referenced*

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 Where there are sufficient funds to meet all of the Trust's financial commitments, and surplus funds exist, the Trust will seek to optimise returns by investing. The Trust will manage conflicts of interest in relation to investment in line with the Conflicts of Interest Policy.

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 minimised 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 whilst understanding that the security of funds takes precedence over revenue maximisation.

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, People & 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 regularly reported to the Finance, People & Resources Committee, outlining the maturity date and interest rate achieved.
- 4.5 On maturity, the Director of Finance will review the position and re-invest in line with this policy, where required.