**Measham Church of England Primary School Academy Trust**

**Investment Policy**

**Aims**

The aim of this policy is to ensure that funds which are not needed immediately to cover anticipated and committed expenditure is invested to maximise the school’s income but without incurring risk.

The aim of the Trust is to spend public money, with which we are entrusted by the EFA for the educational benefit of our children as soon as it is prudent. The school does not consider the investment of surplus funds as a primary activity but that it is a result of good management when circumstances allow. It is part of the Accounting Officer’s role to ensure prudence, economy and value for money.

**Implementation**

The School Business Manager is responsible for ensuring that Budgets are prepared on a monthly basis and that these are reviewed by the Accounting Office [Headteacher], Finance and Personnel Committee and the Governing Body. These procedures are a requirement in the Trust’s Funding agreement and Academies Financial Handbook to ensure viability and sustainability of the activites of the school.

Operational and stategic decisions related to the education of our children at Measham will result over time in cash balances at the bank. These periods are identified by the School Business Manager as part of normal monthly forecasting processes and when identified will result in the school making an investment in accordance with any guidance provided in the Academies Financial Handbook.

Before investing any funds the Headteacher must satisfy himself that the cash flow predictions provided by the School Business Manager are accurate and that the amount and time period of the investment will not compromise the viability and sustainability of the activities of the school. This recommendation will be taken to the next Finance and Personnel meeting and then to the Governing body for approval to proceed.

In making decisions regarding where and how much money should be invested due regard will be given to the “Risk that the return on investments is not being maximised” and the “Risk that trustees are not acting in accordance with their investment policy” [eg investing in high risk investments which are not in the best interests of the Academy]

The principles that the Governing Body will adopt are:

* That the investment will be in the name of the Academy Trust
* The reserve will be invested in tranches of up to £75,000
* Consideration of the different authorised institutions
* All investments must be authorised in writing by the Headteacher and the Chair of Governors

If a bank or building society authorised by the Financial Conduct Authority [FCA] is unable to pay back the deposits held with it, the Financial Services Compensation Scheme [FSCS] can pay 100% of the first £75,000 of an eligible depositors claim, per authorised institution. The list of authorised institutions and those considered acceptable to use is provided by the FCA at the following address:

<http://www.fca.org.uk/firms/systems-reporting/register/search>

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