

INVESTMENT POLICY

Prepared By	Head of Finance
Approved By	Chief Executive Officer
Approved By	Chair of Board of Directors
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INVESTMENT POLICY

This document sets out the scope under which the Hamwic Trust (the Trust) will invest any excess funds.

For the purpose of this document the Trust refers to the Hamwic Trust, all Multi-Academy Trusts (MATs) and academies operating under the Hamwic Trust.

This document uses guidance from the following:

- Academies Financial Handbook 2016
- Charities and Investment Matters: A Guide for Trustees

Introduction

The Trust is able to invest funds to further the educational aims of the Trust. The Board of Directors of the Trust 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 Head of Finance will regularly monitor cash flow of all 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 Head of Finance will identify any funds surplus to the immediate and forthcoming cash requirements set out above (up to a maximum of £500,000) and transfer them to a deposit account which bears higher interest rates. The CEO will approve the transfer of any surplus funds over £500,000.

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 Head of Finance will periodically (at least annually) review interest rates and compare with other investment opportunities.

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