



# **COAST ACADEMIES**

## **Investments Policy**

<b>Policy Details</b>	<b>Date</b>
Policy agreed by Directors	6-7-2015
Review Cycle	Annually
Policy Review date	Summer 2016

# COAST ACADEMIES

## INVESTMENT POLICY

### AIMS

The aim of this policy is to ensure that funds, which Coast Academies does not immediately need to cover anticipated expenditure, are invested in such a way as to maximise the Coast Academies income but without risk.

Our aim is to spend the public monies with which we are entrusted for the direct education benefit of pupils as soon as is prudent. Coast Academies does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

### IMPLEMENTATION

Coast Academies will construct such budgets and cash flow forecasts as are required by legislation to ensure the viability and sustainability of the activities of the Trust.

From time to time, operational and strategic decisions related to the education of pupils at Coast Academies will result in substantial cash balances at the bank over a sustained period.

These periods will be identified by the School Business Manager as part of the normal forecasting activity and, when identified, will result in the school making an investment in accordance with any guidance provided in the Academies Financial Handbook.

Prior to investing funds the Headteacher must be satisfied that the cash flow predictions provided by the School Business Manager are accurate and that the amount and period of the investment will not compromise the viability and sustainability of the activities of at Coast Academies.

In making decisions regarding where and how any surplus funds should be invested, due regard will be given to the 'Risk that the return on investments is not being maximised' and 'Risk that trustees are not acting in accordance with

their Investment Policy (e.g. investing in high risk investments which are not in the best interests of the Academies).

The principles which the Board of Directors will adopt are as follows:

Where practicable the reserve is invested in tranches of up to £85,000 and consideration should be given to investing each £85,000 tranche in a different authorised financial institution (see Banks' section below).

Investments in institutions other than through Lloyds Bank, which have been approved by the Board of Directors, must have agreement from the Chair of the Board of Directors and the Designated Accountable Directors (DAD's).

It is recommended to invest in a rolling programme to allow accessibility within 3, 6 and 12 months, without losing interest.

Re-investment of funds, with interest, is automatically undertaken for the Headteacher unless funds are required for anticipated expenditure.

All investments must be authorised by the Headteacher and Business Manager.

## **BANKS**

If a bank or building society authorised by the Financial Services Authority (FSA) is unable to pay back deposits held with it, the Financial Services Compensation Scheme (FSCS) can pay 100% of the first £85,000 of an eligible depositors claim, per authorised institution. The list of authorised institutions and those considered acceptable to use, is provided by the FSA at the following address:

[http://fsa.gov.uk/Pages/consumerinformation/uk\\_groups/index.shtml](http://fsa.gov.uk/Pages/consumerinformation/uk_groups/index.shtml)