



Our Lady and All Saints
Catholic Multi Academy Company
Strong in Faith

**Our Lady and All Saints Catholic Multi Academy Company
Investment Policy**

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1. Definitions

- 1.1 ‘Our Lady and All Saints Catholic Multi Academy Company’ means the MAC named at the beginning of this policy, and includes all sites upon which the MAC is undertaking is, from time to time, being carried out.
- 1.2 ‘Our Lady and All Saints Catholic Multi Academy Company’ means the company responsible for the management of the MAC and, for all purposes, means the employer of staff at the MAC.
- 1.3 Our Lady and All Saints Catholic Multi Academy Company’ is referred to as ‘OLAAS’ or ‘The MAC’
- 1.4 ‘Board’ means the Board of the Directors of the MAC.
- 1.5 ‘Resources Committee’ means the Committee responsible for Finance, Resources and Audit and Risk across the MAC.
- 1.6 ‘Chair’ means the Chair of the Board as appointed from time to time
- 1.7 ‘Clerk’ means the Clerk to the Board as appointed from time to time
- 1.8 ‘Catholic Senior Executive Leader’, or ‘CSEL’, means the person responsible for the performance of all School and staff with The MAC and is accountable to the Board of Directors.
- 1.9 ‘Chief Finance and Operations Officer’ (CFOO) means the person who is responsible for The MAC’s detailed financial procedures and is delegated as outlined in the Academy Trust Handbook (ATH). This person is responsible for all operational matters in the MAC.
- 1.10 ‘Directors’ means those individuals appointed to the Board from time to time.
- 1.11 ‘Governor’ means the representatives appointed to the Local Governing Boards, from time to time
- 1.12 ‘Local Governing Board’ (LGB) means the representatives appointed and elected to carryout specified functions applicable under the Scheme of Delegation. Acting as a sub-committee of the MAC Board
- 1.13 ‘Head Teacher’ / ‘Executive Head Teacher’ means the first person in charge of a school or schools, they are responsible for the management of a school or schools.
- 1.14 ‘Teacher’ means a teacher employed by the MAC to work at a school and where the context so admits, includes the Head Teacher.
- 1.15 ‘Working Week’ means any week that you would ordinarily work.

2. Aims

This policy aims to ensure that:

- The MAC funds are used only in accordance with the law, its articles of association, its funding agreement and the Academy Trust Handbook
- The MAC funds are used in a way that commands broad public support
- Value for money (economy, efficiency and effectiveness) is achieved
- Directors fulfil their duties and responsibilities as charitable trustees and company directors

3. Legislation and guidance

The Academy Trust Handbook states that the MAC is required to have an investment policy to:

- Manage and track their financial exposure
- Ensure value for money

This policy is based on the Academy Trust Handbook and guidance from The Charity Commission.

This policy also complies with our funding agreement and articles of association.

4. Roles and responsibilities

4.1 Academy Directors

Academy Directors will ensure that investment risk is properly managed. When considering whether to make an investment, Directors will:

- Act within their powers to invest as set out in our articles of association
- Exercise care and skill in investment decisions
- Take investment advice from a professional adviser, as appropriate
- Ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation
- Ensure that all investment decisions are in the best interests of the trust

Directors will seek prior approval from the Education and Skills Funding Agency for investment transactions that are novel, contentious or repercussive.

Novel transactions are those of which the MAC has no experience, or are outside the range of normal business activity for the trust.

Contentious transactions are those which might give rise to criticism of the MAC by Parliament, the public, and the media.

Repercussive transactions are those likely to cause pressure on other MAC / trusts to take a similar approach and hence have wider financial implications.

4.2 Resources committee

Academy Directors delegate responsibility for the trust's investments to the Resourced committee.

The committee is responsible for:

- Controlling and tracking financial exposure
- Reviewing the trust's investments
- Reporting to trustees on investments

4.3 The Chief Finance and Operations officer

The Chief Finance and Operations Officer (CFOO) is responsible for producing cash flow forecasts and for making decisions on investments. The CFOO also provides information to the Resources committee and MAC directors, as appropriate.

5. Investment principles

We only invest funds in low risk and easily accessible accounts.

Surplus cash, i.e. cash which is not required to satisfy short-term liabilities, will be invested in deposit accounts with a bank.

2 types of accounts will be utilized:

- Short-term access accounts – e.g. 32 day notice accounts
- Longer term accounts – with maturity of no more than 1 year.
 - When using longer term accounts – the surplus cash will be split into tranches so that funds can be invested to ensure a regular maturity – see Appendix 1 – investment maturity profile.

Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings, currently the preferred provider of banking services is Lloyds Bank Plc.

6. Procedures

The following people are authorised signatories:

Mr Peter Davies, CEO & CSEL

Mr Daniel Beard, CFOO

Mrs Dalveer Youssef, Head of HR

Before any funds are invested, the 2 authorised signatories will sign to indicate they agree to the investment. An investment authorisation form can be found in appendix 2.

The following information will be recorded about investments:

- Date
- Amount and description of the investment
- Length of investment
- Interest rates/expected return

The CFO will review interest rates and compare them with other investment opportunities before the maturity of existing investments.

Cash flow and current account balances will be monitored regularly by the CFO to ensure immediate financial commitments can be met and that the current account has adequate balances to meet forthcoming commitments.

When there are funds surplus to immediate cash requirements in the current account, we will transfer these to an account with a higher interest rate.

Investments will normally be for a fixed term that does not exceed 1 year, unless there is a clear rationale for longer-term investment that would benefit the trust.

The policy acknowledges that the FSCS compensates for a maximum of £85,000 per individual per bank invested. However, due to the size of the surplus cash balance it is not practical to split the surplus cash e.g. for every £1m of surplus cash 12 relationship banks. In order to mitigate this risk, the following will be reviewed prior to making deposits with a financial institution:

How big is the bank?

Does that bank have a strong track record?

Does that bank have large market share?

Would the DfE / Government allow a Trust to fail because a bank fails?

What lead-in time would we get to move funds if we hear the bank is starting to struggle?

Monitoring media with relationship to the financial institution.

Funds will be automatically reinvested unless money is required for immediate or anticipated expenditure.

The returns on invested funds will form part of the MAC income and will be used to further the objectives of the company.

7. Monitoring arrangements

The CFO monitors the implementation of this policy.

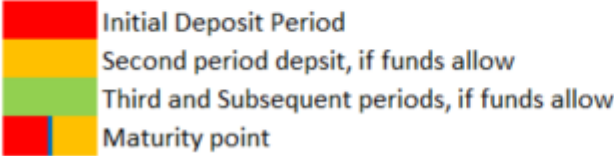
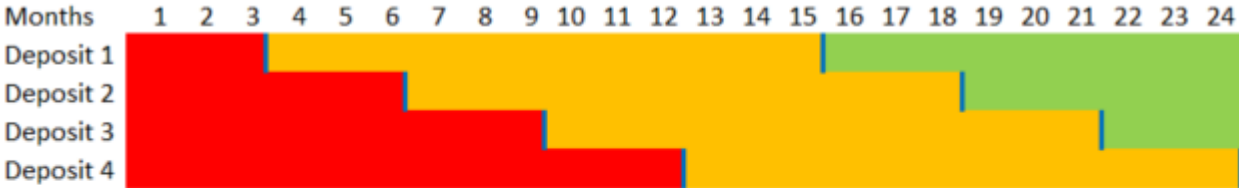
This policy will be reviewed and approved by the academy trustees every 2 years; unless there is a change in the requirements expressed in the Academy Trusts Handbook

8. Links with other policies

This investment policy links with our policies on:

- Finance Policy
- Finance Scheme of Delegation

Appendix 1 – Deposit Maturity profile



Appendix 2 – Investment Approval Form

| | | | |
|---|--|------------------------|--|
| DATE INVESTMENT MADE | | DURATION OF INVESTMENT | |
| AMOUNT | | | |
| INTEREST RATE | | EXPECTED RETURN | |
| DESCRIPTION OF INVESTMENT | | | |
| | | | |
| DETAILS OF WHERE THE INVESTMENT IS HELD | | | |
| | | | |
| SIGNATORY NAME PRINT | | SIGNATORY NAME PRINT | |
| SIGNATURE | | SIGNATURE | |
| DATE | | DATE | |