



The View Trust
MULTI-ACADEMY TRUST

INVESTMENT POLICY THE VIEW TRUST

INTRODUCTION

The purpose of the Investments Policy is to set out the processes by which the Trustees of The View Trust will meet their duties under the Academy's Articles of Association and Academies Financial Handbook issued by the EFA. This is to invest monies surplus to operational requirements in furtherance of the Academy's charitable aims and to ensure that investment risk is properly and prudently managed.

DEFINITION OF DUTIES

The Academy's Articles gives Trustees the power "to expend the funds of the Trust in such manner as they shall consider most beneficial for the achievement of the Objects and to invest in the name of The View Trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Objects."

Whilst the Board of Trustees has responsibility for the Trust's finances, the Scheme of Delegation (approved by the Governing Body) delegates responsibility to the Finance and Resources Committee:

To approve the Investments Policy to manage, control and track financial exposure, and ensure value for money; to review the trust's investments and investment policy on a regular basis.

The Finance Manager is responsible for producing reliable cash flow forecasts as a basis for decision making. The Trustees are then responsible for making investment decisions that comply with this Policy and for reviewing and monitoring investment performance.

OBJECTIVES

The investment objectives are:

- To achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation.
- To only invest funds surplus to operational need based on all financial commitments being met without the Trust bank account becoming overdrawn.

- To comply with this policy, all investment decisions will be exercised with care and skill and consequently be in the best interests of the Trust and which will command broad public support.

INVESTMENT STRATEGY

Investment risk will be managed through asset class selection and diversification to ensure that security of deposits takes precedence over revenue maximisation. For selection, assets will only be considered with banking institutions which have credit ratings to show excellent credit quality.

To manage the risk of default, deposits should be spread by the banking institution and be subject to a maximum exposure of £500,000 with any PRA authorised institution by the Bank of England (refer to Financial Conduct Authority (FCA). Whilst this exceeds the protection limit of £75,000 provided by the FCA it is accepted that it is not always practicable to find a sufficient number of investments of this size that meet the prudent criteria outlined in this policy.

SPENDING AND LIQUIDITY POLICY

Decisions on how much to invest and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts. The cash flow forecasts will take account of the annual budget and spending plans approved by the Trustees and updated on a termly basis.

A sufficient balance must be held in the current account so that the Trust and each Academy's financial commitments can always be met without the bank account going overdrawn. The size of the balance will be determined by a forecast of future need and kept under review.

Investments for a fixed term should not normally exceed one year in order to provide flexibility for the following year's plans, unless a clear rationale is provided for exceeding one year to the benefit of the Trust.

MONITORING AND REVIEW

The View Trust has authorised signatories, two of which are required to sign instructions to the deposit taking institution. The Trustees will then monitor the cash position, cash flow forecast and investments held, together with the performance of investments depending on the terms of the investments. For example if investments are held one year then an annual report is appropriate.

This Policy will be reviewed by the Board of Trustees on an annual cycle

Person responsible for the Policy:	School Business Manager (Tor View School)
Colleagues affected by this Policy:	All Trustees
Approved and adopted by Trustees:	5 th June 2017
Next Review:	2018