Blessed Holy Family Catholic Academy Trust

INVESTMENT POLICY

Summer 2026

Contents

1. Aims

This policy aims to ensure that:

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

2. Legislation and guidance

The Academy Trust Handbook states that academy trusts are 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 The Charity Commission guidance (CC14 Charities and investment matters: a guide for trustees).

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

3. Roles and responsibilities

3.1 Local Governing Bodies

The local governing body will agree the amount of the school's reserves to be entered into the investment pot. All reserves entered into the investment pot will be kept in the central pot for a minimum of 12 months.

It is suggested that the Local Governing Body use the following formula to identify their investment pot contribution:

- Undertake a cashflow projection for the next 12 months and identify the lowest planned bank balance level in the period;
- Subtract any planned spending from reserves – projects submitted to the Trust Board and approved;
- From the residual amount it is suggested that the school retain in their bank a contingency amount of 25% and place the remaining 75% in the investment pot.

Appendix B is a template to help with calculating the appropriate investment pot contribution.

Reports to the Local Governing Body on the performance of the investment will be provided annually. Investments and interest will be reinvested unless the Local Governing Body request to withdraw their investment, or any portion of it, at the end of the 12 month period.

3.2 Academy trustees

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

- Act within their powers to invest as set out in our articles of association
- Exercise caution in all investments, reducing risk and ensuring that the trust acts with the utmost integrity
- Take investment advice from a professional adviser, as appropriate
- Ensure that exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- Ensure that all investment decisions are in the best interests of the trust and command broad public support

Trustees avoid any investment transactions that are novel, contentious or repercussive and would require prior approval from the Education and Skills Funding Agency (ESFA).

Novel transactions are those of which the academy trust 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 trust by parliament, the public, and the media.

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

3.3 Finance and Risk Committee

Academy trustees delegate responsibility for the trust's investments to the finance and risk committee.

The committee is responsible for:

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

Reports on the performance of the investments will be provided termly to the Finance and Risk Committee.

3.4 The chief financial officer (CFO)

The chief financial officer (CFO) is responsible for producing cash flow forecasts and for making decisions on investments in conjunction with the CEO. The CFO also provides information, including information on the performance of investments, to the finance and risk committee and trustees, as appropriate.

4. Investment principles

Risk is managed through diversification of investments, ensuring that the security of funds takes precedence over revenue maximization: sufficient balances will be held across accounts, with the Trust's cash flow forecast informing how much is available for investment and for how long.

Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

The following aspects will be considered:

- objectives
- risk
- type of investment and term
- academy's financial position
- financial limit for type of investment
- spreading investments between providers to ensure savings are covered by the Financial Services Authority (FSA)
- security of access
- rate of return
- charges
- business interests of Trustees and Academy staff
- ethical, social and environmental considerations
- review including review of performance

5. Procedures

The following people are authorised signatories of the trust's central account:

- Chief Executive Officer
- Chief Financial Officer

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 1).

The following information will be recorded about investments:

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

The CFO will review interest rates and compare them with other investment opportunities annually.

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

When there are funds surplus to immediate cash requirements in the central trust current account, these will be transferred 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.

Funds, and any interest earned on those funds, will be automatically reinvested unless money is required for immediate or anticipated expenditure or the school requests the funds back at the end of the twelve month investment period when money will be repaid with an apportioned interest element. The apportionment will be based on the amount withdrawn from the scheme by the school as a proportion of the interest earned across the investment pot with 50% of the apportioned interest coming to the school and 50% to the central trust as part of a central fund for projects that benefit all the schools in the trust.

6. Monitoring arrangements

The CFO monitors the implementation of this policy.

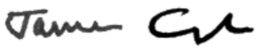
This policy will be reviewed and approved by the academy trustees every three years.

7. Links with other policies

This investment policy links with Finance Regulations policy.

Appendix 1: Investment authorisation form

INVESTMENT DATE		MATURITY DATE	
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	

Ratified:	Signed:	
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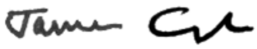
	Date:	4th July 2024
	Date for Renewal:	July 2025

Ratified:	Signed:	
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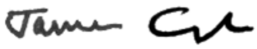
	Date:	3rd July 2025

Reviewed and agreed:	
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