

Inspire Partnership Academy Trust

Investment Policy

Version: Draft

Approval Date:	26 November 2025
Approved by:	Resources Committee
Policy Owner:	Finance Leads
Review date:	November 2026

Contents

Contents	2
1. Introduction	3
2. Responsibilities	3
2.1. When considering an investment the Board must:	3
3. Investment Principles	4
4. Procedures	4
5. Monitoring and Review	5
6. Current Trust Investments	5
7. Linked Policies	6

1. Introduction

The purpose of the policy is to ensure that the Trust's funds are used in accordance with its articles of association, its funding agreement and the Academy Trust Handbook and ensure that the investment risk is properly managed.

2. Responsibilities

The Board of Trustees may invest to further the Trust's charitable aims, but must ensure investment risk is properly managed.

2.1. When considering an investment the Board must:

- 2.1.1. act within its powers to invest as described in its articles;
- 2.1.2. have an investment policy to manage and track its financial exposure, and ensure value for money;
- 2.1.3. exercise care and skill in investment decisions taking advice as appropriate from a professional adviser;
- 2.1.4. ensure exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation;
- 2.1.5. ensure investment decisions are in the trust's best interests;
- 2.1.6. The Finance Resource committee will seek assurance that controls are in place and that executive powers have been exercised properly;

3. Investment Principles

- 3.1. Exercise caution in all investments, reducing risk and ensuring that the Trust acts with integrity;
- 3.2. Funds will only be placed in accounts with leading UK banks with a withdrawal notice of no more than 6 -12 calendar month;
- 3.3. Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Investment compensation limit: £85,000, as of 1st December 2025 Deposit compensation limit (cash deposits) £120,000.
- 3.4. Cash flow and current account balances will be monitored regularly.
- 3.5. Periodically (at least twice annually) review interest rates and compare with other investment opportunities.
- 3.6. Funds can also be invested into high interest Gilts with maturity dates of less than 36 months with an assumption of low risk Government gilts.
- 3.7. The Trust will not invest in money market funds/products, stocks and shares or other higher risk investment products where the value of the original investment is not protected.
- 3.8. Ensure value for money and effectively manage and track financial exposure.

4. Procedures

- 4.1. Finance Leads will regularly monitor cash flow and current account balances to ensure funds are available for both immediate and forthcoming commitments. Surplus funds and interest will be automatically reinvested unless required for current or anticipated expenditure.

- 4.2. Approval from the Finance Resource Committee is mandatory for any changes to investments that fall outside of the current fixed-term deposit layering, specifically for funds exceeding £100,000. The Finance Leads must inform the FRC in advance to seek and obtain this committee approval.

5. Monitoring and Review

- 5.1. The Finance Leads will monitor the cash position and cash flow forecast and report on investments held to the Finance Resource Committee (FRC) at least three times during the year. The FRC will also conduct an annual review of this Investment Policy to ensure its continued suitability.
- 5.2. The review will be reported to the Trust Board/Resources Committee, the following information regarding any investments made will be recorded:
 - 5.2.1. Date investment made
 - 5.2.2. Description of investment
 - 5.2.3. Amount invested
 - 5.2.4. Length of investment
 - 5.2.5. Interest rates and expected return

6. Current Trust Investments

- 6.1. Current Investments are held with Lloyds Bank PLC. The Trust has three fixed term deposits with maturity ranging from 92 to 155 days:
 - 6.1.1. £500k for 92 days, yielding 3.32% interest;
 - 6.1.2. £545k for 123 days, yielding 3.29% interest;
 - 6.1.3. £545k for 153 days, yielding 3.26% interest;

7. **Linked Policies**

7.1. Financial Regulations Manual

7.2. Reserves Policy