

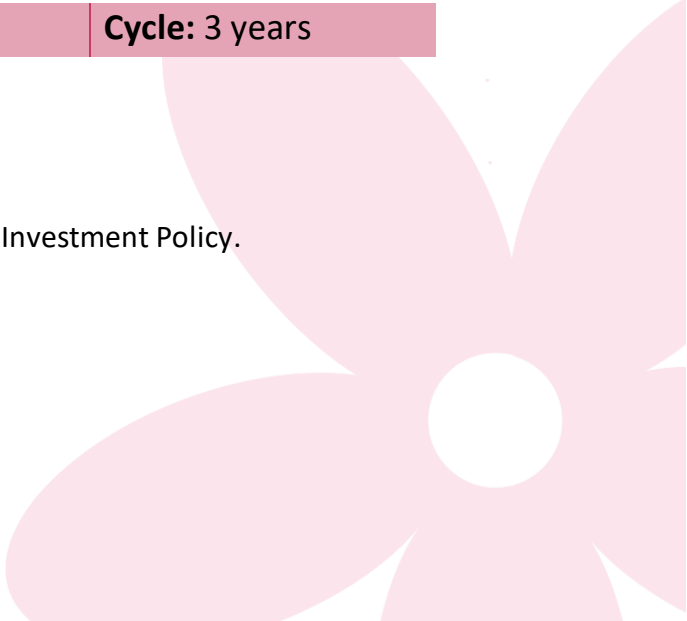


# Fioretti Trust

## Investment Policy

<b>Approved by:</b>	FAR Committee	<b>Date:</b> 03.03.26
<b>Last review:</b>		
<b>Next review:</b>	March 2029	<b>Cycle:</b> 3 years

This policy supersedes all previous Investment Policy.



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## 1. Aims

This Investment Policy sets out the framework for managing, controlling, and monitoring the Trust's investments to ensure compliance with statutory guidance and responsible stewardship of public funds.

The policy prioritises capital preservation, liquidity, and prudent long-term investment, consistent with MAT responsibilities under the Academy Trust Handbook and Charity Commission expectations.

This policy ensures that:

- Funds are used only in accordance with law, Articles of Association, Funding Agreement, and national guidance.
- The Trust achieves value for money, balancing security, liquidity, and return.
- Investment risk is appropriately managed.
- Long-term financial stability is supported through prudent use of reserves and long-term investment opportunities.

## 2. Legislation and Guidance

The [Academy Trust Handbook](#) states that academy trusts are required to have an investment policy to:

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

This policy is based on the Academies Financial Handbook and guidance from [The Charity Commission](#). This policy also complies with our Funding Agreement and Articles of Association.

## 3. Roles and Responsibilities

### 3.1 Academy trustees

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 that 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
- Maintain a record of investment decisions and rationale

Trustees will seek prior approval from the DFE for investment transactions that are novel or contentious.

**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.

### 3.2 Finance, Audit and Risk (FAR) Committee

Trustees delegate responsibility for the trust's investments to the FAR Committee. The committee is responsible for:

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

### 3.3 The Chief Financial Officer

The Chief Financial Officer (CFO) works in close collaboration with the CEO (Accounting Officer) through whom they are responsible to the trustees and governors. The CFO is responsible for producing rolling cash flow forecasts and for recommending decisions on investments, whilst ensuring adequate liquidity to meet short-term commitments. The CFO also provides information and makes recommendations on investments to the FAR Committee and Trustees, as appropriate.

## 4. Investment Principles

### 4.1 General Principles

The Trust will:

- Prioritise capital preservation, liquidity, and prudent growth.
- Invest only in low-risk, FCA-regulated institutions.
- Ensure diversification across institutions to maximise protection under the savings guarantee scheme. (FSCS £120,000 limit).

### 4.2 Liquidity

- Sufficient accessible funds must remain available for operational needs and contingencies.

### 4.3 Risk Management

- Portfolio will be regularly reviewed to maintain alignment with Trust objectives.
- Risk factors such as credit risk, interest rate risk, and market volatility will be monitored.

## 5. Short-Term Investments

Short-term investments include:

- Instant-access deposit accounts.
- Fixed-term deposits with maturities of up to six months.

Criteria:

- Low risk
- FCA-regulated
- FSCS-protected where applicable

## 6. Long-Term Investments

Long-term investments are defined as investments with maturity beyond 12 months, designed to support the sustainability and resilience of the Trust's financial position.

### 6.1 Purpose

Long-term investments may be used to:

- Support strategic capital development
- Provide sustainable income generation
- Strengthen long-term reserves

### 6.2 Conditions for Long-Term Investment

The Trust may pursue long-term investments only where:

- Cash flow forecasts confirm no adverse impact on operations.
- The Board is satisfied that reserves remain sufficient.
- A professional adviser has been consulted if appropriate.

### 6.3 Permitted Long-Term Investment Vehicles

Permitted options include:

- Long-term fixed-term deposits (12–36 months) with FCA-regulated institutions
- Low-risk diversified investment products such as charity-sector investment funds (aligned with Charity Commission guidance)
- Bond-type instruments where capital protection is a core feature

### 6.4 Prohibited Long-Term Investments

- High-risk equities
- Derivatives or speculative financial instruments
- Any investment that jeopardises capital security or public confidence

## 7. Procedures

The following people are authorised signatories (sometimes there is a need to make changes for operational reasons e.g long term absence. The Accounting Officer holds a full list of current signatories):

- *CEO*
- *CFO*
- *COO*
- *A serving Trustee*
- *Headteachers of each Trust school*
- *Deputy Headteachers of each Trust school*

Before any funds are invested, the two authorised signatories will sign to indicate they agree to the investment.

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 annually.

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. The Trust currently has in place an instant access savings account for this purpose

A maximum of £120,000 will be placed with one financial institution. This is because the first £120,000 of an investment is protected by the Financial Services Compensation Scheme [Financial Services Compensation Scheme | FSCS](#).

Funds, and any interest earned on those funds, will be automatically reinvested unless money is required for immediate or anticipated expenditure.

The CEO and CFO meet regularly and discuss the above.

## 8. Monitoring Arrangements

- All investments will be reviewed at least termly by the Finance, Risk & Audit Committee.

- Performance will be benchmarked and compared against market conditions.
- The Board will receive an annual report summarising:
  - Investments held
  - Returns achieved
  - Risk and compliance evaluation

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

## 9. Links with Other Policies

This investment policy links with our policies on

- Financial Policy and Procedures
- Competitive Tendering Policy
- Trust Scheme of Delegation

End of Policy