

East Midlands Academy Trust

Investment Policy

'Every child deserves to be the best they can be'

Scope: East Midlands Academy Trust & Academies within the Trust	
Version: v1	Filename: EMAT Investment Policy
Approval: March 2026 Approved by Trust Board	Next Review: March 2027 This Policy will be reviewed by the owner and & approved by the trust board annually
Owner: Head of Finance	
Policy type:	
Statutory	New policy

Revision History

Revision Date	Revisor	Description of Revision
March 2026 v1	ND	New Policy in line with ATH requirements.

EMAT Investment Policy

1. Introduction

The purpose of this Investment Policy is to provide a clear and robust framework for the management of the Academy Trust's financial investments in line with its strategic objectives, statutory responsibilities, and commitment to prudent stewardship of public funds. As a charitable organisation funded primarily through public money, the Trust has a duty to ensure that all resources are managed with integrity, transparency, and in the best interests of the pupils and communities it serves.

2. Aims

This policy sets out the principles that will guide investment decisions, ensuring they are consistent with the Trust's risk appetite, ethical standards, and long-term financial sustainability. It establishes the governance arrangements, delegated authorities, and monitoring processes required to safeguard assets while optimising returns within a low-risk, secure framework. The Trust seeks to balance financial prudence with opportunities to strengthen its financial resilience, supporting its ability to deliver high-quality education and maintain stable operations.

The Investment Policy aligns with the Academy Trust Handbook, relevant legislation, EMAT's funding agreement and articles of association and recognised best practice in the sector. It aims to ensure that all investment activity is conducted responsibly, professionally, and with due regard for liquidity, security, and value for money. Through this policy, the Trust reinforces its commitment to sound financial management and to protecting the resources entrusted to it for the benefit of current and future learners.

3. Responsibility & Implementation

The Trustees delegate the day-to-day responsibility for management and implementation of this investment policy to the Deputy Chief Executive Officer (DCEO) who delegates that responsibility to the Head of Finance, who will ensure that investments are managed in accordance with this policy and that the performance of investments is regularly monitored.

The Head of Finance is responsible for producing reliable cash flow forecasts as a basis for decision making and for implementing investment decisions in compliance with this policy.

The Trust has authorised signatories; one to instruct Lloyds Bank Treasury Team to place and withdraw funds and two to place deposits made via the Trust's cash management platform.

- Chief Executive Officer (CEO)
- Deputy Chief Executive Officer (DCEO)
- Head of Finance

Academy trustees

Academy trustees will ensure that investment risk is properly managed and in line with the trust's scheme of delegation. 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 will seek prior approval from the DFE for investment transactions that are novel, contentious or repercussive.

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 or the media.

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

3.2 Finance committee

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

The committee is responsible for:

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

4. Investment principles

The Trust may invest surplus funds (over and above the required working capital) in a mixture of interest-bearing accounts and money market facilities (where the capital is not placed at risk) including:

- **Overnight (instant access / easy access)**
- **Notice accounts (typically from 30-days to 100+ days)**
- **Fixed term deposits (typically from 1-month to 12-months).**

The Trust recognises that funds cannot be accessed before the relevant period of notice is given or, for fixed term deposits, at maturity. The profile and restrictions of the most common deposit accounts are:

1. Easy Access

- No notice needed to make withdrawals.
- Funds are usually returned overnight or within a few days – Interest Rates are variable

2. Notice Accounts

- No access without giving the required notice
- Interest Rates are variable

3. Fixed Term Deposits

- No access until the deposit matures
- Interest Rates are fixed for the term

5. Monitoring and Reporting

The Head of Finance will monitor the cash position and cash flow forecast regularly. Investment holdings and performance against objectives will be reported to the Finance, Audit & Risk Committee at appropriate intervals and included within the commentary section of the monthly Management Accounts.