

Rugby High School

INVESTMENT POLICY

PRINCIPLES

The academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the academy aims to invest surplus cash funds to optimise returns, whilst ensuring that the investment instruments are such that there is no risk to the loss of these cash funds.

PURPOSES

- To ensure adequate cash balances are maintained in the current account to cover day-to-day working capital requirements
- To ensure there is no risk of loss in the capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimise returns on invested funds

GUIDELINES

Regular cash flows are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding supply creditors that are due for payment.

Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested only in the following:

- Interest bearing instant access deposit accounts with any of the following banks ;
 - RBS
 - Barclays
 - Lloyds TSB
 - HSBC
- Other authorised institutions defined by the Financial Services Authority.
<http://www.fsa.gov.uk/consumerinformation/compensation/brands>
- Treasury deposits, with maturity dates which do not result in the cash funds being unavailable for longer than 8 weeks

If any investments exist the Business Manager will periodically (at least every 3 months) review the interest rates being achieved and will compare with other investment opportunities that comply with the parameters of this policy.

Review

This policy will be reviewed every three years