



Extend Learning
Academies Network

Investment Policy

Version:	5.0	
Written by:	ELAN Central Management Team	
Reviewed by:	ELAN Board	Date: 09/06/2025
Ratified by:	Name: Rosemary Carr Signed: Rosemary Carr Chair of the Board	Date: 09/06/2025
Adopted by Academies:	Banwell Primary School Bournville Primary School Locking Primary School Mead Vale Primary School Mendip Green Primary School Milton Park Primary School Oldmixon Primary School Walliscote Primary School Windwhistle Primary School	
Review:	2 years	
Next Review Due By:	July 2027	

Document Control
Document Information

	Information
Document Name	Investment Policy
Document Author	Finance
Document Approval	CFO / ELAN Board
Document Status	Version 5.0
Publication Date	July 2025
Review Date	May 2027
Distribution	Website /General

Version Control

Version	Issue Date	Amended by	Comments
1.0	6/3/18		Board approved
2.0	26/3/19	CFO	Minor changes to format
3.0	July'21	CFO	Annual review – no changes actioned
4.0	July 23	CFO	Annual review - updated to give flexibility on deposits
5.0	July 25	CFO	Annual review - updated to give flexibility on deposits and provide details of investment types, inclusion of limits for authorisation

Contents

1. Introduction.....	4
2. Responsibility	4
3. Assessing Liquidity Needs	4
4. Borrowing	4
5. Investments	4
6. Limits and Authority.....	5
7. Register of Deposits	5
8. Monitoring, Evaluation and Review.....	5

1. Introduction

Treasury management is defined as: -

- the management of ELAN cash flows, banking and investment transactions;
- the management of the risks associated with these activities;
- the pursuit of optimal returns consistent with those risks.

The objectives of this policy are to ensure that ELAN: -

- maintains sufficient cash balances in its current account to meet its day to day commitments;
- invests surplus cash to earn an acceptable rate of return without undue risk;
- consider spreading risk between differing types of investment and institutions to reduce credit risk.

2. Responsibility

The chief executive officer (CEO) and the ELAN board have overall responsibility for the security and management of funds. The day to day management of the treasury function is controlled by the chief finance officer (CFO) who will liaise with the CEO and the ELAN board in relation to investment decisions.

3. Assessing Liquidity Needs

The CFO will ensure that a sufficient balance is held across accounts with short term (Instant or easy access) so that its financial commitments can be met without the risk of the current account going overdrawn. Sufficient flexibility to deal with reasonable, one-off events will be retained, should any such even occur. Decisions on how much to invest and how long to invest for will be dictated by cash flow forecasts as presented to the Finance, Audit & Risk Committee.

The cash flow forecasts will take account of the annual budget and spending plans approved by the Board of Trustees, and will be reviewed monthly as part of the management accounts cycle and on maturity of fixed term deposits. The size of the balance to be retained in the current account will be determined by a forecast of future need and kept under review.

4. Borrowing

ELAN is not permitted to borrow without prior permission of the Secretary of State.

5. Investments

ELAN will operate an interest bearing current account with a bank approved by the ELAN board (currently Lloyds Bank) and maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments.

The Trust is able to invest any surplus funds (over and above the required day-to-day funds) 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 2 years).

Investment maturity dates should not exceed 2 years in term unless funds are held for a specific future product with no risk of requiring access in the meantime. The time period for which money is placed on deposit must provide adequate flexibility and where possible a range of time

periods will be adopted to enhance flexibility. Risk is managed through diversification of investments, ensuring that the security of funds takes precedence over revenue maximisation. Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

The profile and restrictions of the most common deposit accounts are:

- Easy Access: – No notice needed to make withdrawals. – Funds are usually returned overnight or within a few days – Interest Rates are variable
- Notice Accounts: – No access without giving the required notice – Interest Rates are variable
- Fixed Term Deposits: – No access until the deposit matures – Interest Rates are fixed for the term

Any investment decisions considered will consider guidance provided in the academy trust handbook.

6. Limits and Authority

The CFO 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 partner (currently Cascade Cash Management).

Funds can be invested as follows:

Period of time funds held on deposit	Authorisation Required
Up to 95 Days	CFO
95 Days to 12 Months	CEO & CFO
Over 12 Months	Finance, Audit & Risk Committee, CEO & CFO

Authorised bank signatories of ELAN are set out in ELAN's Financial Regulations Policy.

7. Register of Deposits

The CFO will maintain a register of all deposits/investments held which will record:

- institution with which deposit placed;
- date deposit placed;
- amount deposited;
- date of maturity;
- amount returned;
- interest earned;
- rate of Interest.

8. Monitoring, Evaluation and Review

The CFO will present the register of deposits to the ELAN board on an annual basis. Annually the CFO will review interest rates and compare these with investment opportunities through other institutions.