

Investment Policy

Aim of the Academy

To provide a unique and enriching opportunity for all.

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, but ensuring the investment instruments are such that there is minimal 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 minimal 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 deposit accounts with any of the following banks only;
 - RBS
 - Barclays
 - Lloyds TSB
 - HSBC
- Treasury deposits, with maturity dates which do not result in the cash funds being unavailable for longer than 8 weeks.

Periodically the Finance Director will review the interest rates being achieved and will compare with other investment opportunities that comply with the parameters of this policy.

Review date: February 2014

Ratified date: 18 March 2014

Date of next review: March 2017