



The Milford Academy

Investment Policy

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Approved by: (if applicable)	Governing Body	Owner:	C Bramall
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Introduction

The Milford Academy Trust (“the Trust”) is a charitable company limited by guarantee, funded primarily by public money. The Trust has a duty to ensure that all resources are managed with regularity, propriety, and value for money, in line with the Academy Trust Handbook, Charity Commission guidance, and its Funding Agreement with the Secretary of State for Education.

This policy sets out the framework within which the Trust will manage, invest, and monitor its cash balances and reserves.

Objectives

The objectives of this Investment Policy are to ensure that:

- Public funds entrusted to the Trust are safeguarded.
- Cash balances not immediately required for operational purposes are managed prudently.
- Investments achieve the best possible return consistent with security and liquidity.
- All investment decisions comply with charity and company law, the Academy Trust Handbook, and the Trust’s Articles of Association.

Principles

Security: The preservation of capital is paramount. The Trust will only invest in institutions regulated by the Financial Conduct Authority (FCA) and covered by the Financial Services Compensation Scheme (FSCS).

Liquidity: Investments must be capable of being accessed in line with the Trust’s operational needs.

Yield: Once security and liquidity have been satisfied, the Trust will seek to optimise returns.

The Trust will not engage in speculative investments or place funds at undue risk.

Types of Permissible Investments

The Trust may invest surplus funds in the following:

- Deposit or savings accounts with UK banks and building societies regulated by the Prudential Regulation Authority (PRA) and FCA and covered by the FSCS.
- Fixed-term deposit accounts where funds can be tied up for a period that does not compromise the Trust’s cash flow needs.
- Low-risk money market funds where capital is preserved, and liquidity is maintained.

The Trust will not invest directly in equities, corporate bonds, derivatives, or other high-risk financial instruments.

Approval and Oversight

- The Board of Trustees holds ultimate responsibility for the Trust’s investments.

- Day-to-day management of investments, within this policy, may be delegated to the Chief Financial Officer (CFO), subject to oversight by the Finance Committee.
- All investment decisions must be recorded in the Finance Committee minutes.
- The investment position will be reported to the Board at least termly.

Monitoring and Review

- Investment performance will be reviewed at least termly by the Finance Committee to ensure compliance with this policy and that adequate returns are being achieved.
- The Trust will review its cash flow forecasts regularly to ensure that funds are available when required.
- This policy will be reviewed annually by the Finance Committee and approved by the Board of Trustees.

Ethical Considerations

The Trust will avoid investments which are inconsistent with its charitable objects or could damage its reputation. Funds will not be invested in organisations whose activities conflict with the Trust's values or the welfare of children and young people.

Reserves and Risk

Investments will only be made from reserves or surplus cash balances not immediately required for operational purposes.

The Finance Committee must ensure that sufficient cash is retained in the Trust's current accounts to meet short-term commitments.

Compliance

This policy complies with the requirements of:

- The Academy Trust Handbook (current edition).
- The Charities Act 2011.
- The Companies Act 2006.
- The Trust's Funding Agreement and Articles of Association.