



Royal Wolverhampton School Foundation Investment Policy

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1) Aims

This policy aims to ensure that:

- 1) The trust’s funds are used only in accordance with the law and its articles of association, its funding agreement
- 2) The trust’s funds are used in a way that commands broad public support
- 3) Value for money (economy, efficiency and effectiveness) is achieved
- 4) Trustees fulfil their duties and responsibilities as charitable trustees and company directors

2) Legislature & guidance

There must be an investment policy

The board of trustees may invest to further the trust’s charitable aims but must ensure investment risk is properly managed. When considering an investment the board must:

- 1) Act within its powers to invest as described in its articles
- 2) Have an investment policy to manage and track its financial exposure, and ensure value for money
- 3) Exercise care and skill in investment decisions, taking advice as appropriate from a professional adviser
- 4) Ensure exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- 5) Ensure investment decisions are in the trust’s best interests
- 6) Review the trust’s investments and investment policy regularly.



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Investment Policy

The board should follow the Charity Commission's guidance: CC14 Charities and investment matters: A guide for trustees

3) Roles and responsibilities

a) Trustees

Trustees will ensure that investment risk is properly managed. When considering whether to make an investment, trustees will:

- a) Act within their powers to invest, as set out in our articles of association
- b) Exercise caution in all investments, reducing risk and ensuring that the trust acts with the utmost integrity
- c) Take investment advice from a professional adviser, as appropriate
- d) Ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation
- e) Ensure that all investment decisions are in the best interests of the trust and command broad public support

Trustees will take care to avoid investment transactions that are novel, contentious or repercussive.

Novel transactions are those of which the 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, and the media.

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

Trustees will appoint a professional investment adviser if they determine this is appropriate.

Trustees will not delegate responsibility for the trust's investment policy but may delegate to one or more named Trustees responsibility for:

- f) Controlling and tracking financial exposure
- g) Reviewing the trust's investments
- h) Reporting to trustees on investments
- i) Liaising with any professional investment adviser.

b) The Company Secretary

The Company Secretary is responsible for producing cash flow forecasts and for providing financial information and advice to facilitate investment decisions by the trustees, as appropriate.

4) Investment principles

Trustees will only invest funds in low risk and easily-accessible accounts. Funds, apart from the Leaver's Exhibition Fund which is an endowment fund, will be placed in bank accounts with a withdrawal notice of no more than 12 weeks.

Risk is managed through diversification of investments, ensuring that the security of funds takes precedence over revenue maximisation.



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Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

Investments will normally be for a fixed-term that does not exceed one year unless there is a clear rationale for longer-term investment that would benefit the trust.

Funds, and any interest earned on those funds, will be automatically reinvested unless money is required for immediate or anticipated expenditure.

5) Procedures

The following people are authorised signatories:

- i) The Trustees
- ii) Company Secretary

Before any funds are invested, 2 authorised signatories will sign to indicate they agree to the investment.

An investment authorisation form is shown at Appendix 1.

The following information will be recorded about investments:

- iii) Date
- iv) Amount and description of the investment
- v) Length of investment
- vi) Interest rates/expected return

The Company Secretary will review interest rates and compare them with other investment opportunities annually.

Cash flow and current account balances will be monitored regularly by the Company Secretary to ensure immediate financial commitments can be met and that the current account has adequate balances to meet forthcoming commitments.

When there are funds surplus to immediate cash requirements in the current account, The Company Secretary will recommend transfer of these to an account with a higher interest rate.

6) Monitoring arrangements

The Company Secretary monitors the implementation of this policy.

This policy will be reviewed and approved by the trustees every year.



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Appendix 1: investment authorisation form

| | | | |
|--|--|-------------------------------|--|
| Date investment made | | Duration of investment | |
| Amount | | | |
| Interest rate % | | Expected return % | |
| Description of investment | | | |
| | | | |
| Details of where the investment is held | | | |
| | | | |
| Signatory Name (print) | | Signatory Name (print) | |
| Signature | | Signature | |
| Date | | Date | |