



St.Cuthbert's
Roman Catholic Academy Trust

Treasury Management Policy

Policy reviewed and adopted by the Board of Directors	15 June 2016
Version	1
Review frequency	Annually
Date of next review	June 2017
Responsible Office	CFO

Introduction

Treasury Management is defined as: -

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

The objectives of this policy are to ensure that the academy: -

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

Responsibility

The Head Teachers and Board of Directors 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). The CFO will liaise with the Head Teacher's and Personnel, Finance and General Purpose (PF&GP) Committee in relation to investment decisions.

Cash Flow Forecasts

The CFO will prepare and present regular 12 months rolling cash flows to the Board of Directors to identify expected cash balances throughout the year for investment opportunities and to provide early warning of low cash balances or surplus balances.

Borrowing

The Academy is not permitted borrow without prior permission of the Secretary of State and the Diocese of Middlesbrough.

Investments

The Academy will operate an interest bearing current account with a bank approved by the Board 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.

Monies surplus to the working requirements shall be invested in term deposits with the current banker or with another UK institution regulated by the Financial Conduct Authority or the Prudential Regulation Authority.

The Academy will not take out any long term deposits until a reliable cash flow pattern has been established, monies will only be paid into term deposits not exceeding six months.

Limits and Authority

Board of Director approval is required for:

- the opening of new bank current accounts;
- amend the approved institutions with whom the Academy will invest; and
- to any bank deposit with a maturity date exceeding six months.

This decision will usually be delegated to the PF&GP Committee who will delegate authority to the CFO to place deposits in the Academy's name, at approved institutions, subject to the agreed approvals.

No deposits will be placed without prior agreement with the Head teacher or other signatory subject to the relevant limits.

Authorised bank signatories of the Academy are set out in the Academy's Finance Policy and scheme of delegation.

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

Monitoring, evaluation and review

The CFO will present the Register of Deposits to the Board of Directors P,F and GP Committee on an annual basis.

Periodically (at least annually) the CFO will review interest rates and compare these with investment opportunities through other institutions.