JIGSAW LEARNING TRUST

TREASURY MANAGEMENT & INVESTMENT POLICY

Fulwell Infant School Academy (part of Jigsaw Learning Trust) is an exempt charity. It is a company limited by guarantee in England and Wales (Registered no: 8277622) whose registered office is at Ebdon Lane, Fulwell, Sunderland, SR6 8ED.

September 2026

Introduction

Treasury Management is defined as:

- The management of the Trust's 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 the Trust:

- Maintains sufficient cash balances in its current accounts to meet day-to-day commitments.
- Invests surplus cash to earn an acceptable rate of return without undue risk.
- Spreads risk between differing institutions and investment arrangements to reduce credit risk.
- Manages cash and reserves prudently to support long-term financial sustainability, maintain operational resilience and ensure resources are available to support future strategic priorities whilst achieving value for money.

Responsibility

The CEO/Accounting Officer and Trust Board have overall responsibility for the security and management of funds. Day-to-day management of the treasury function is delegated to the Finance Director. The Finance Director will liaise with the CEO/Accounting Officer and Trust Board in relation to investment decisions.

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Cash Flow Forecasts

The Finance Director will prepare and present regular rolling twelve-month cash flow forecasts to the Trust Board to identify expected cash balances throughout the year, inform investment opportunities and provide early warning of low cash balances.

Borrowing

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

Investments

The Trust will maintain interest-bearing current accounts with banks approved by the Trust Board and retain sufficient cash balances to meet all immediate and forecast financial commitments, including an appropriate contingency for unforeseen expenditure.

The Trust's primary objective is to ensure that cash is available to always support educational delivery and operational requirements.

Surplus funds not required for short-term operational purposes may be invested in accordance with the Trust's cash flow forecasts, reserve's policy and long-term financial plans.

The Trust will maintain a minimum level of immediately accessible funds, normally equivalent to approximately two months' expenditure (currently around £400,000), before committing surplus funds to fixed-term investments. This liquidity contingency is intended to ensure that the Trust can meet operational requirements, manage unforeseen expenditure, respond to emergency estate issues, address fluctuations in funding and pupil numbers, and maintain financial resilience during periods of uncertainty. The level of contingency retained will be reviewed periodically by Trustees in line with cash flow forecasts, budget assumptions and the Trust's risk profile.

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The Trust's investment objectives are to:

- Preserve capital and protect public funds.
- Maintain sufficient liquidity to meet operational requirements.
- Diversify counterparty risk through the use of approved financial institutions and cash deposit platforms.
- Generate an appropriate return on surplus funds consistent with a low-risk investment strategy.
- Support the long-term financial sustainability of the Trust.

The Trust may utilise approved cash deposit platforms, including Insignis Cash or any successor arrangement approved by Trustees, to access deposits across multiple authorised UK banks and building societies. This approach enables diversification of investments whilst maintaining security, liquidity and competitive rates of return.

Investment decisions will be informed by regular cash flow forecasting and consideration of the Trust's strategic financial priorities, including:

- Maintaining financial resilience.
- Managing the impact of future fluctuations in pupil numbers and funding.
- Supporting future capital and estate improvement projects.
- Supporting planned investment in IT infrastructure and compliance with statutory and regulatory requirements.
- Protecting the Trust's ability to respond to unforeseen financial pressures.

The Trust will not enter into speculative investments or investments that place capital at undue risk. Investments will normally be placed in low-risk deposit accounts and fixed-term deposits with authorised institutions approved by Trustees.

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Fixed-term investments should not normally exceed twelve months unless a clear business case demonstrates that a longer-term investment offers additional benefit to the Trust whilst maintaining an acceptable level of risk and liquidity.

Limits and Authority

The Trust Board reserves the power to:

- Approve the Treasury Management and Investment Policy.
- Approve the use of investment platforms, banks and building societies.
- Determine and amend investment and counterparty limits.
- Approve investments with terms exceeding twelve months.
- Receive regular reports on treasury management activity and investment performance.
- Give prior approval to the opening of new bank current accounts.

The Trust Board delegates authority to the Finance Director to place and manage investments on behalf of the Trust within the parameters of this policy and any limits approved by Trustees.

All investment decisions must be supported by cash flow forecasts and appropriate consideration of the Trust's operational and strategic requirements. The Finance Director will consult with the CEO/Accounting Officer and, where appropriate, the Chair of Trustees before placing significant investments.

Authorised bank signatories of the Trust are set out in the Trust's Financial Regulations Manual.

Register of Deposits

The Finance Director will maintain a register of all deposits and investments held which will record:

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- Institution with which the deposit is placed.
- Date deposit placed.
- Amount deposited.
- Date of maturity.
- Amount returned.
- Interest earned.
- Rate of interest.

Monitoring, Evaluation and Review

The Finance Director will present the Register of Deposits and a summary of treasury management activity to Trustees on at least an annual basis. Treasury arrangements and approved counterparties will be reviewed periodically to ensure they continue to meet the Trust's requirements for security, liquidity and value for money

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Treasury Management & Investment Policy – Key Changes for Trustees

The policy has been updated to reflect the Trust's current treasury management arrangements, investment strategy and reserves position.

1. Investment Diversification

- Removed the restriction to investing solely with Lloyds Bank.
- Introduced the use of approved cash deposit platforms, including Insignis Cash.
- Enables investments to be spread across multiple authorised UK banks and building societies to reduce counterparty risk.

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