



Investment Policy

Responsible Committee	CLPT Finance & Operations Committee
Date Approved by Committee	3 rd March 2025
Implementation Date	3 rd March 2025
Next Review Date	March 2026
Policy Owner	Kate Hillman, CFO

This Policy has been created in accordance and to support the Mission, Values and Beliefs of The Creative Learning Partnership Trust.

Our Mission.

**Creating transformational
educative opportunities;
promoting social justice;
unlocking individual freedom.**



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Our Beliefs.

Our beliefs are what we value,
they're what we passionately
talk about.

Creativity.
What we mean: Innovative problem solvers, use our knowledge and skills to our absolute reality.
What we don't mean: Floundering goals, confusion in any way, not intentional, never.

Learning.
What we mean: Knowledge for ourselves, others and best, everyone can reach outside.
What we don't mean: Everyone arrives at the same endpoint, doesn't progress.

Partnership.
What we mean: Collaborate with others, uplift the voice, fairly shared support.
What we don't mean: Co-opt knowledge and, they decide on their situation.

Trust.
What we mean: Trust in others and others, can trust in others, have confidence in abilities.
What we don't mean: Floundering in others, not trust in others, not trust in others.



Our Personality.

Our personality expresses who
we are, it's how we talk, act and
behave.

Integrity.
What we mean: Consistent to our thoughts, feelings and actions, do as we say.
What we don't mean: Compromise professional, or being unprofessional.


Dedication.
What we mean: Committed to our goals and learning, work hard to make it happen, do what it takes.
What we don't mean: Nothing at heart, do everything at half, neglect professional well-being.

Kindness.
What we mean: Get with compassion, always thinking of others, being a good human.
What we don't mean: Being uncompassionate, being things other than you are, don't be kind to others.

Understanding.
What we mean: I believe and value you and/or have empathy and able to feel what others feel.
What we don't mean: Ignoring what you are saying, not listening, judgemental and insensitive.

Collaboration.
What we mean: Working together, creating each other to be successful, including.
What we don't mean: Unilateral meetings or sufficient use of other people's time.

Innovation.
What we mean: Doing something and seeking to transform, do what others do to improve.
What we don't mean: Inventing one idea to be different, or others or ignoring other ideas.



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1. Purpose and scope of this policy

To set out the processes by which the Trust can invest funds surplus to day-to-day operational requirements and to ensure that investment risk is properly and prudently managed.

In doing so, Trustees must:

- Act within their Charity's power to invest.
- Set investment objectives.
- Set the parameters that deposit counterparties need to meet.
- Consider the level of liquid cash required to be held either overnight or within current accounts.
- Approve the type of products that the Trust can invest in and seek external guidance if required.
- Define processes to manage and make investment decisions.
- Monitor and review investments on a regular basis.

2. Responsibility

The Trustees delegate the day-to-day responsibility of managing and implementing the investment policy to the Chief Financial Officer (CFO) to ensure investments are managed in accordance with this policy and monitor regularly how the Trust's investments are performing.

3. Objectives

To identify a level of funds that can be placed on deposit to generate additional interest income for the Trust in order to support its on-going charitable objectives.

Any investment decisions must be supported by a cashflow forecast that reduces the risk of the Trust not having the liquidity required to carry out its day-to-day activities.

3. Counterparty Risk

Following the Banking Crisis in 2007/2008, The Bank of England have (through the FSA and latterly, the FCA and PRA) implemented changes to banking regulation and capital requirements of UK FCA registered banks to ensure the stability of the UK Banking system. As such, the Trust can only make cash deposits with institutions with a UK banking licence regulated by the FCA.

4. Counterparty Restrictions

For Institutions with an Investment Grade "good" or better credit rating or implied credit rating the Trust can deposit a maximum of £2,000,000 (plus interest accrued) in any one institution.

These ratings include:

Baa3 / P-3 or better (Moody's) or

BBB- / A-3 or better (S&P) or

BBB- / F3 or better (Fitch) or

An implied rating of BBB- or better

The Credit rating or Implied Credit Rating will be checked at the time of placing a deposit with a new bank.

It is worth noting that Implied Credit Ratings are usually the 'long term' position, however, the Trust will only be depositing 'short term' in deposits with a maturity date or notice period of 12-months or less.

The Trust will further reduce its counterparty risk by having funds with at least two institutions.

It is recognised that the Trust's current account balance(s) may exceed the deposit limits stated above. For the purpose of this investment policy, current account balances are excluded from the counterparty limits detailed above.

4. Assessing liquidity needs

The Trust should ensure that a sufficient balance will be held across accounts with short term (Instant or easy access) so that the Trust's financial commitments can be met without the risk of the current account going overdrawn.

It should also allow enough flexibility to deal with reasonable, one-off events should they occur. The Trust's cash flow forecasts will dictate how much is available for investment and for how long.

The cashflow forecasts should be reviewed monthly as part of the management accounts cycle and on maturity of fixed term deposits.

5. Investment Products

The Trust can invest surplus funds in a mixture of interest-bearing accounts and money market facilities (where the capital is not placed at risk) including:

- Overnight (instant access / easy access)
- Notice accounts (typically from 30-days to 100+ days)
- Fixed term deposits (typically from 1-month to 12-months)
- Investment maturity dates should not exceed 12-months in term unless funds are held for a specific future product with no risk of requiring access in the meantime.

It is noted that notice and term deposits will not be accessible before the required notice period or maturity date for any reason.

The profile and restrictions of the most common deposit accounts are:

Easy Access:

- No notice needed to make withdrawals.
- Funds are usually returned overnight or within a few days
- Interest Rates are variable

Notice Accounts:

- No access without giving the required notice
- Interest Rates are variable

Fixed Term Deposits:

- No access until the deposit matures
- Interest Rates are fixed for the term

6. Investment Decisions

The CFO is responsible for producing reliable cash flow forecasts as a basis for decision making.

The CFO is responsible for making investment decisions that comply with this Policy.

Deposit facilities in use by the Trust must be restricted to 'dual control' for the opening of a deposit, placing funds and withdrawing funds.

7. Monitoring & Reporting

The CFO will report investments held and the performance of investments against objectives to the Finance and Operations Committee for review each time it meets or when requested to do so.

The reporting should include:

- Funds invested
- Maturity dates
- Interest rates
- Latest cash flows showing 12-month liquidity requirements
- Recommendations for the next 3 months.

8. Review

Trustees should review the Investment policy to ensure it is still fit for purpose annually.