

Investment Policy

See also:

The Crown Entities Act 2004 (the Board is a crown entity)

Relevant Legislation

Education Training Act 2020

The Crown Entities Act 2004 (the Board is a crown entity)

Rationale:

The purpose of this policy is to provide information and guidance to all to ensure Lincoln High School (LHS) is committed to maximising the return on surplus funds by diligently investing in conservative low risk investments to the greatest extent possible as permitted by statute.

Definition

For the purposes of this policy "Investments" are defined as monies invested for a term greater than 30 days.

1. Priorities

The Board's investment priorities are:

1. To preserve the equity (net financial assets) of LHS
2. To ensure the school has sufficient funds to carry out its strategic plan and meet the requirements of its charter
3. To ensure compliance with the requirements as laid down in the Education Act and the Crown Entities Act
4. To minimise the risk associated with investment of funds
5. To facilitate the easy implementation and management of the Investment Policy by LHS staff
6. To optimise income earned from investments over each 12 month accounting period ending 31 December (the financial year)

2. Acceptable uses of investment funds

LHS's investment funds can only be used for the purposes they relate to, viz,

1. As working capital to meet any significantly higher operational commitments above budget that the school may face due to an extraordinary event outside its control
2. Special projects as approved by the Board
3. Disaster relief relating to school operations

3. Investment allocation

1. Investments are to be spread across at least two registered trading banks such that the investment priorities are satisfied
2. No more than 75% of all investment funds are held with one registered trading bank at any one time
3. Funds are to be invested for no more than a twelve month term unless authorised by the Board
4. The School must not:
 - A. acquire shares
 - B. acquire bonds other than bonds issued by the New Zealand Government or Local Authorities in NZ
 - C. acquire property outside the school boundary

Approved: 5 December 2022

Signed: 
Nicky Hiku
Board Chair

Signed: 
Kathy Paterson
Principal