



## Investment Policy

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Responsible Officer

Deputy Chief Executive Officer

### Objective

To take a conservative approach to the investment of the Shire of Cocos (Keeling) Islands surplus funds, but with a focus to add value, while ensuring that its liquidity requirements are being met.

### Scope

Local governments are required to ensure that they have effective and accountable systems in place to safeguard the Shire's financial resources. This includes the development of proper systems to authorise, verify and record the investment of monies in appropriate financial institutions.

### Policy

The Chief Executive Officer shall be responsible for the management of the Council's funds and for reporting to the Council on these affairs.

Not less than two quotations shall be obtained from authorised institutions whenever an investment is proposed. The best quote on day is to be determined, taking into consideration administrative and banking costs, as well as giving due regard to the limitations set in this policy.

In determining the term to maturity of any financial investment, regard shall be had to the cash flow needs of the Council, the intended purpose of the funds to be invested, prevailing interest rates and trends, and such other matters that would be appropriate in exercising the level of care, diligence and skill required by subsection 18 (1) of the Trustees Act 1962.

Funds must be invested in an authorized institution as defined in this policy in Australian currency only. The types of investments that can be made are:

- Interested bearing deposits
- Bank accepted/endorsed bank bill

## Definitions

Authorised institution includes any of the following banking institutions:

- Commonwealth Bank -CBA
- National Australia Bank -NAB
- Australia and New Zealand Bank - ANZ
- Westpac Banking Corporation
- St George Bank
- Suncorp Metway Bank
- Bankwest of WA
- Bank of Queensland - BoQ
- Adelaide Bank / Bendigo Bank
- Macquarie Bank

## Relevant Legislation/Local Law

All investments are to be made in accordance with:

- Local Government Act 1995 - Section 6.14
- The Trustees Amendment Act 1962 -, re: Part III Investments (as amended 1997)
- LG Financial Management Regulations (19, 28 and 49)
- Australian Accounting Standards

## Office Use Only

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Relevant Delegations				
Council Adoption	<b>Date</b>	24/02/2016	Resolution #	10.1/F3
Reviewed/Modified	<b>Date</b>	30/8/2017	Resolution #	3008/05
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