

ADDENDUM REPORT

REPORTS THROUGH THE GENERAL MANAGER**a06 [TCS-OC] Monthly Investment Report for Period Ending 30 April 2008****ORIGIN:****Financial Services****SUMMARY OF REPORT:**

This report is provided to Council to advise details of monies Council has invested in accordance with Section 625 of the Local Government Act 1993.

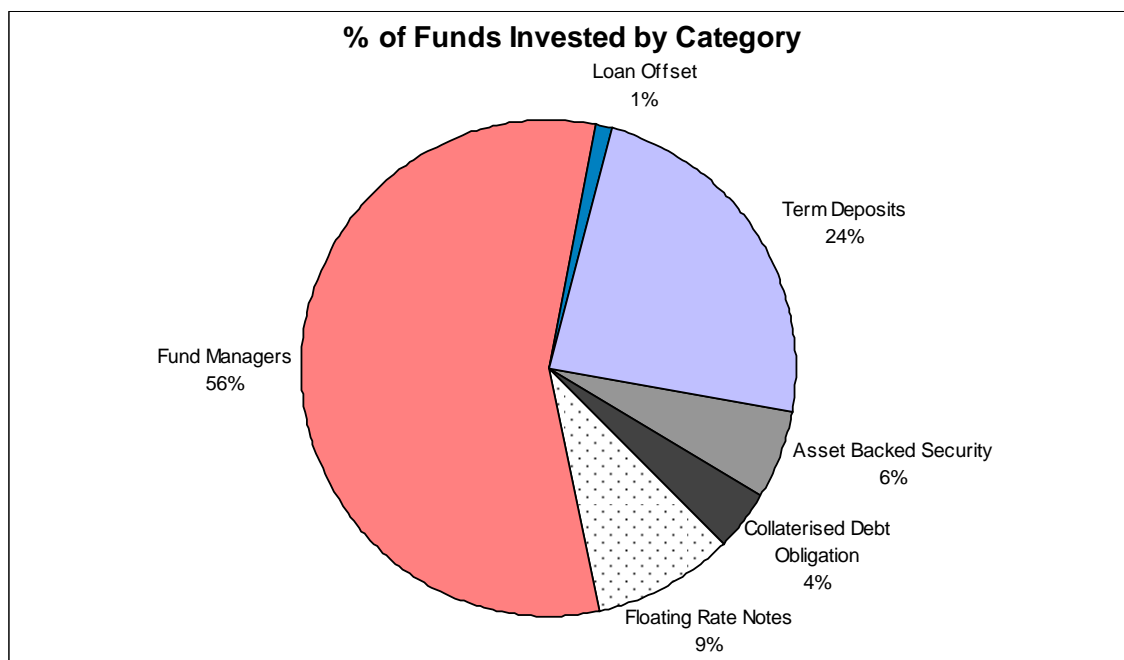
RECOMMENDATION:

That in accordance with Section 625 of the Local Government Act 1993 the monthly investment report as at 30 April 2008 totalling \$105,779,089.11 be received and noted.

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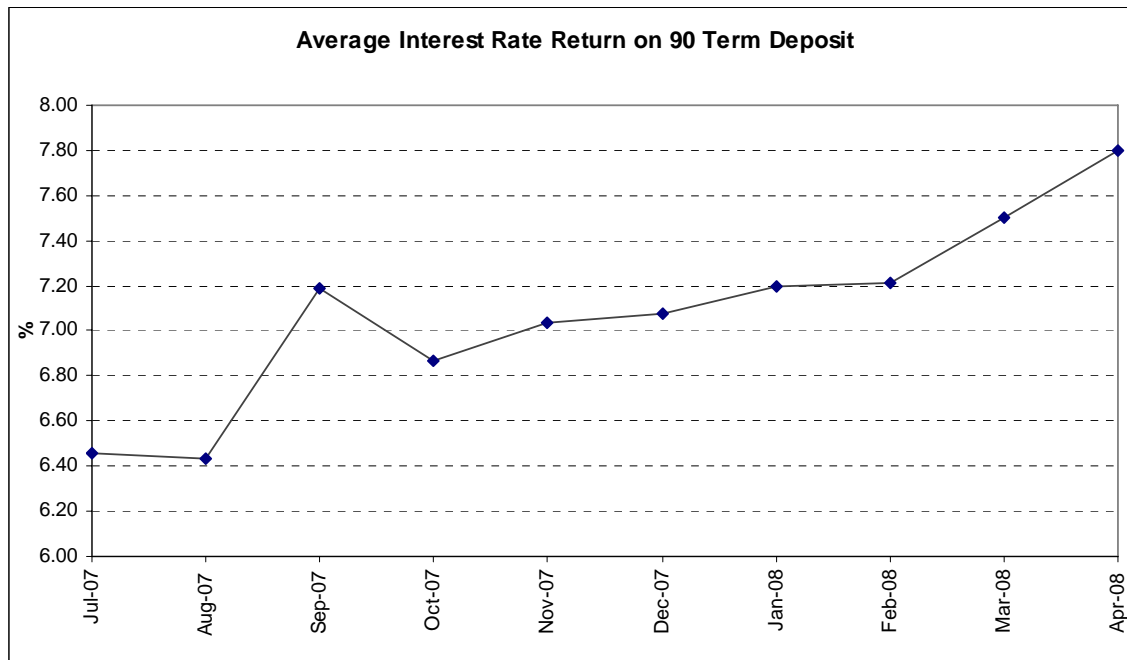
REPORT:**Report for Period Ending 30 April 2008**

The "Responsible Accounting Officer" must report monthly to Council, setting out details of all the funds Council has invested and certification has been made in accordance with Section 625 of the Local Government Act (1993), Clause 212 of the Local Government (General) Regulations and Council policies.

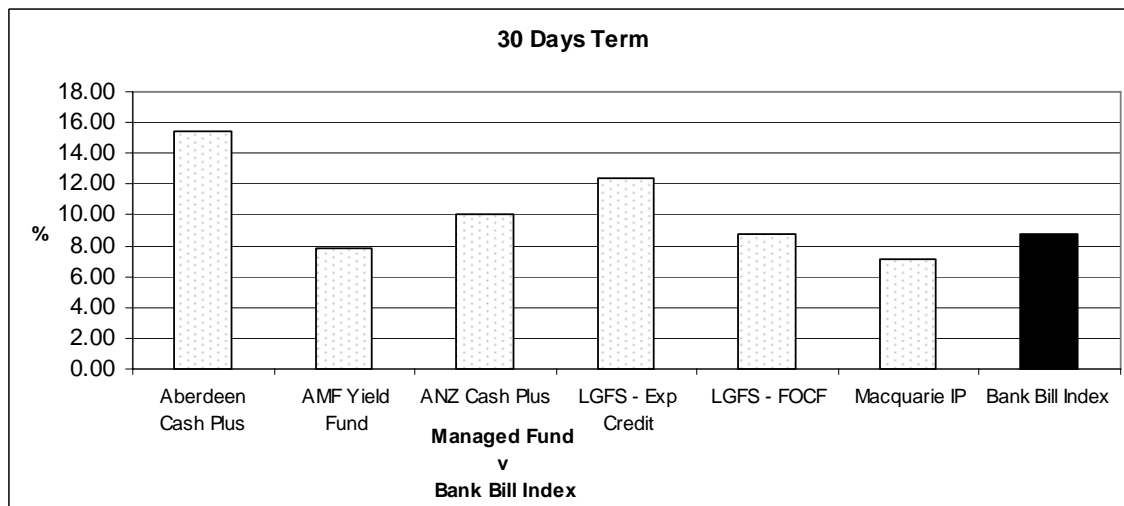
1. CURRENT INVESTMENT PORTFOLIO BY CATEGORY

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2. INVESTMENT RATES - 90 DAY BANK BILL RATE (%)



3. ANNUALISED RATE OF RETURN FOR FUNDS MANAGERS - NET OF FEES

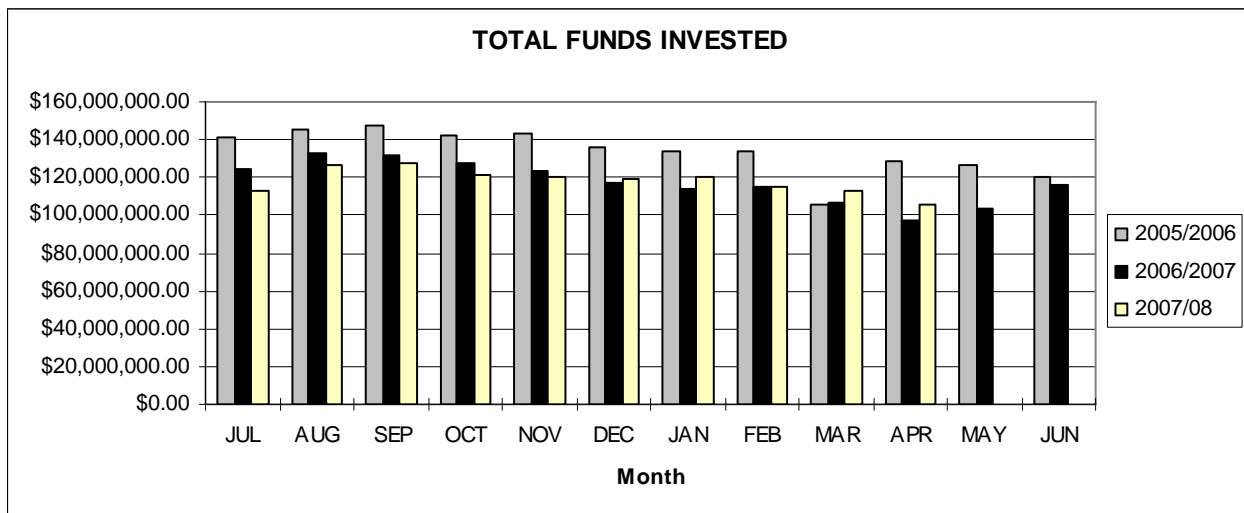


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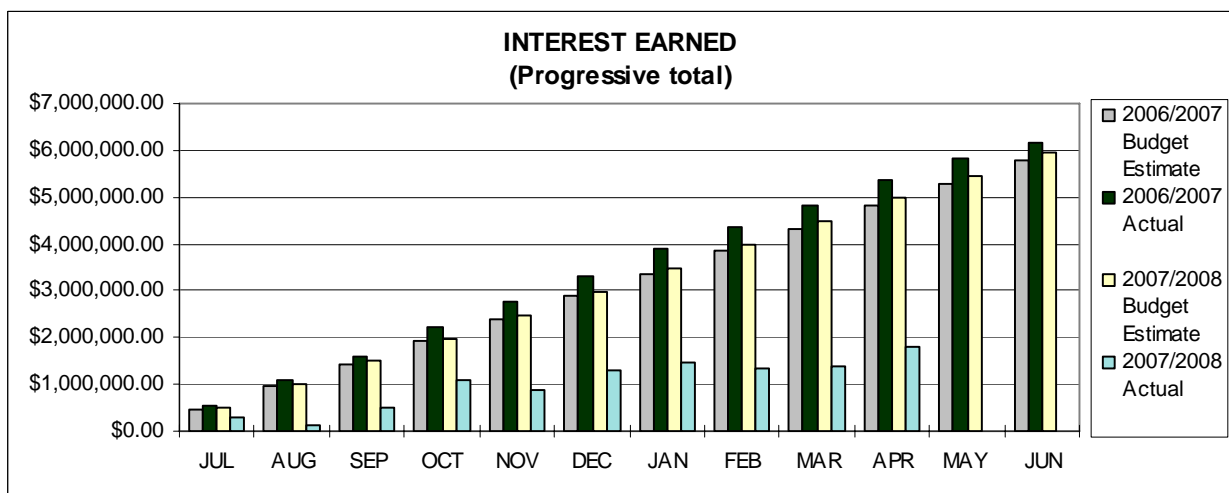
4. FUND MANAGERS END OF MONTH BALANCE

Fund	Amount Invested	Percentage of Total Fund Managers	30 Day Return (Annualised) %	Distribution for Month/Quarter	Financial Year to date Distribution
Aberdeen Cash Plus	\$3,685,168	6.16%	15.47	Quarterly	\$507,093
AMF Yield Fund	\$14,910,947	24.92%	7.87	\$95,652	\$705,704
ANZ Cash Plus	\$886,659	1.48%	10.06	\$5,940	\$226,359
BlackRock	closed	closed	closed	Quarterly	\$639,621
LGFS - Exp Credit	\$5,946,491	9.94%	12.37	\$12,381	\$335,803
LGFS - FOCF	\$23,906,704	39.96%	8.77	Quarterly	\$381,830
Macquarie IP	\$10,490,527	17.53%	7.15	Quarterly	\$996,646
UBS	closed	closed	closed	Quarterly	\$47,949
Total	\$59,826,496	100%		\$113,973	\$3,841,005

5. MONTHLY COMPARISON OF TOTAL FUNDS INVESTED

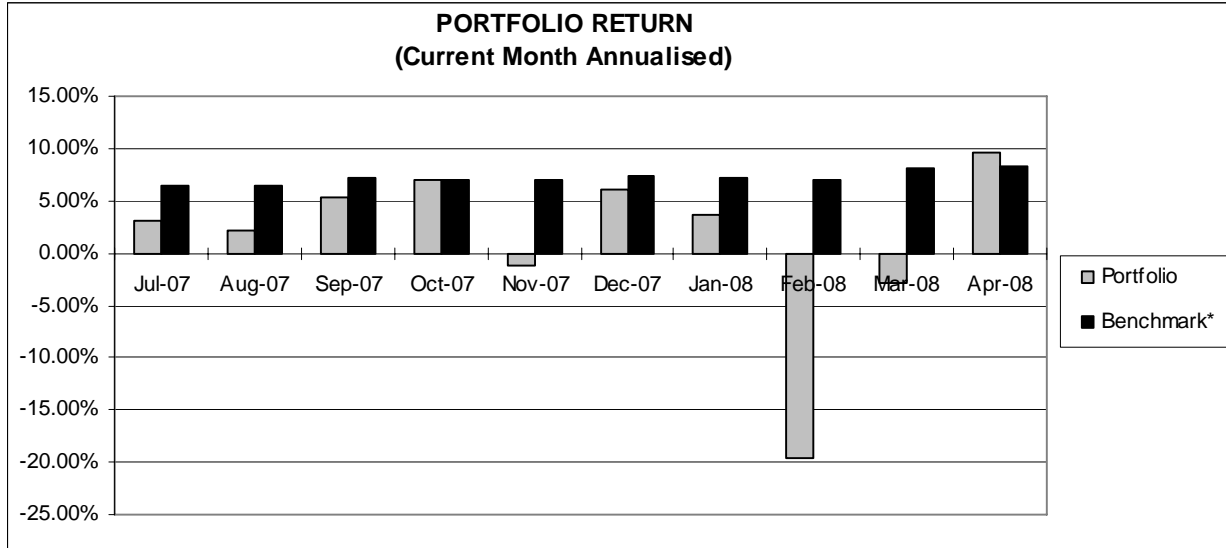


6. ANNUAL PROGRESSIVE TOTAL OF INTEREST ON TOTAL FUNDS INVESTED

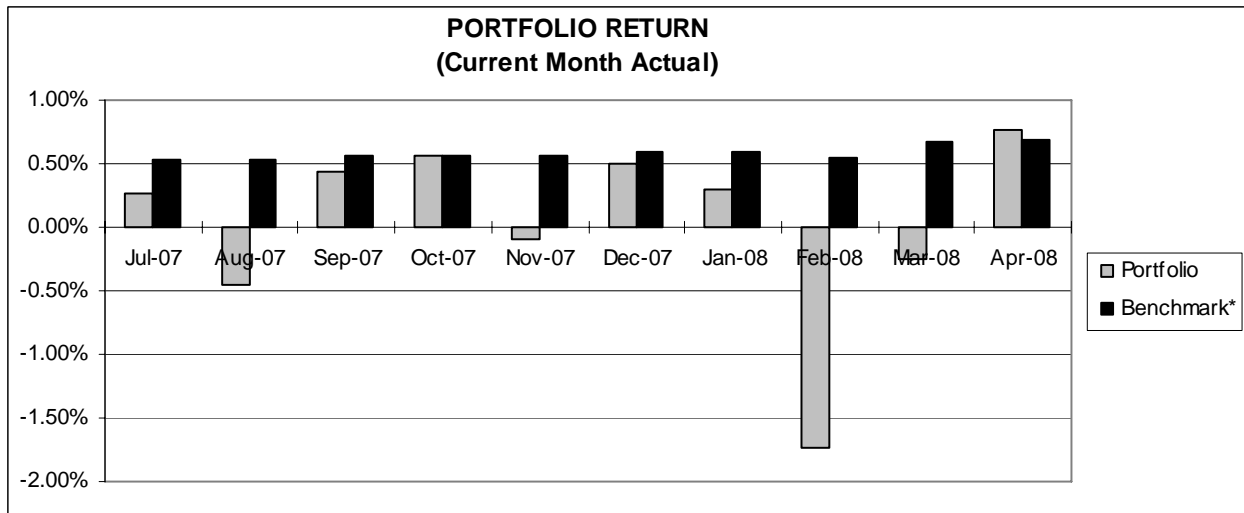


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7. PORTFOLIO PERFORMANCE



8. MARKET COMMENTARY



* UBS Bank Bill Index

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9. INVESTMENT SUMMARY AS AT 30 APRIL 2008

Institution	Amount Invested	Term	% Return	Estimated interest due on maturity \$	Final Maturity
Adelaide Bank	\$5,000,000.00	90	8.070	99,493.15	08-Jul-08
Adelaide Bank (interest rate resets every 90 days)	\$2,000,000.00	182	7.750	77,287.67	11-Aug-08
Bank of QLD	\$5,000,000.00	90	8.270	101,958.90	10-Jun-08
Citibank	\$3,000,000.00	120	7.970	78,608.22	28-Jul-08
Citibank	\$3,000,000.00	90	8.090	59,843.84	08-Jul-08
Commonwealth Bank	\$993,000.00	185	7.895	39,735.64	14-Jun-10
Commonwealth Bank	\$0.00	call	7.200	n/a	
Suncorp Metway	\$1,000,000.00	365	8.390	83,900.00	16-Apr-09
Suncorp Metway (interest rate resets every 90 days)	\$3,000,000.00	274	7.460	168,003.29	11-Nov-08
Suncorp Metway (Fixed interest rate full term)	\$3,000,000.00	1094	8.300	746,317.81	01-Apr-11
Total	25,993,000.00		Total	1,455,148.52	

10. MARKET COMMENTARY

Domestic Economy

Inflation in Australia remains high as indicated by the March 2008 CPI figure above 4% pa. There are signs emerging that domestic demand is slowing, as reflected in leading indicators released throughout the month. The consensus amongst economists is that the Reserve Bank of Australia will keep the cash rate at 7.25% p.a. for the remainder of 2008.

Global Economy

According to ECB President, Jeane-Claude Trichet, there are considerable risks of worldwide inflation and that central banks must make an effort to lower expectations that prices will rise - "On a global level, inflationary risks are significant."

Still, the International Monetary Fund cut its forecast for global growth this year, citing the fallout from the collapse of the US housing market, which has pushed up borrowing costs globally.

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Data from the US economy remains largely negative but there were some exceptions which had the market suggesting that PERHAPS the worst of the credit crisis may be over. The US Federal Reserve Bank faces a difficult task balancing rising inflation levels whilst encouraging economic growth to dampen the effects of a recession.

Council's Investment Portfolio Performance

The April portfolio return was above average, with fund managers particularly regaining some of the considerable underperformance experienced so far this financial year. Further volatility in financial markets is anticipated so below average fund manager performance is a possibility before the end of June 2008.

Council's managed funds now represent 56% of the total investment portfolio, reduced from 85% in July 2007. Most new investments made since September 2007 have been into term deposits and floating rate notes. Both these investment types are returning above 8% pa average and are considered to represent a very low capital risk.

Net return for April on total amount invested (\$105,779,089) was \$803,921 or 9.64% annualised.

Source: Oakvale Capital limited

11. INVESTMENT SUMMARY AS AT 30 APRIL 2008

GENERAL FUND

COLLATERISED DEBT OBLIGATION	4,029,240.00	
FLOATING RATE NOTE	9,784,217.02	
ASSET BACKED SECURITY	6,146,136.00	
FUND MANAGERS	10,439,217.65	
LOAN OFFSET	993,000.00	
TERM DEPOSITS	17,000,000.00	
CALL	0.00	48,391,810.67

WATER FUND

TERM DEPOSITS	0.00	
FUND MANAGERS	42,117,353.33	42,117,353.33

SEWERAGE FUND

TERM DEPOSITS	8,000,000.00	
FUND MANAGERS	7,269,925.11	15,269,925.11

TOTAL INVESTMENTS		105,779,089.11
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It should be noted that the General Funds investments of \$48 million are not available to be used for general purpose expenditure. It is virtually all restricted by legislation and council resolution for such purposes as unexpended loans, developer contributions, unexpended grants and various specific purpose reserves such as domestic waste, land development and employee leave entitlements.

Statutory Statement - Local Government (General) Regulation 2005 Clause 212

I certify that Council's investments have been made in accordance with the Local Government Act 1993, the Local Government (General) Regulations and Council's investment policies.

A handwritten signature in black ink, appearing to read "M. Clarke".

Chief Financial Officer (Responsible Accounting Officer)

LEGAL/RESOURCE/FINANCIAL IMPLICATIONS:

Nil.

POLICY IMPLICATIONS:

Nil.

UNDER SEPARATE COVER/FURTHER INFORMATION:

To view any "non confidential" attachments listed below, access the meetings link on Council's website www.tweed.nsw.gov.au or visit Council's offices at Tweed Heads or Murwillumbah (from Friday the week before the meeting) or Council's libraries (from Monday the week of the meeting).

Nil.
