

# LOUGHTON TOWN COUNCIL

## Investment Strategy and Policy

### 1 Strategy

To invest for the best income return having regard both to the requirements of the Local Authorities (Capital Finance) (Approved Investments) Regulations 1990 as amended and the absolute requirement to avoid capital loss.

### 2 Policy

(i) To retain not less than one month's average working capital requirement in current and deposit accounts giving immediate access

(ii) To place any other funds on deposit of up to one year's duration, depending on the prevailing interest rates and forecast cash flow requirements

(iii) Funds only to be deposited or invested with:

(a) UK clearing banks or their subsidiaries, together with those former major building societies now banks subject to their being assigned a credit rating of 'A' or above from Standard and Poors or Moody's Investment Services Inc.

(b) UK Government stocks

(c) UK local authority stocks or bonds.

Agreed by F&GP Committee 18.2.04.