

**INVESTMENT REPORT  
31-May-08**

Item 10.3.1

LONG TERM RATING (STANDARD & POORS) AAA TO AA-	SHORT TERM RATING (STANDARD & POORS) A1+			MAXIMUM % of TOTAL INVESTMENTS for INDIVIDUAL FINANCIAL INSTITUTION 45%		
Institution	Type	Days	Investment Date	Maturity Date	Interest Rate	Principal
<b>COMMONWEALTH BANK</b>						
Municipal Investment	Term	92	12-Mar-08	12-Jun-08	8.19%	1,000,000
Municipal Investment	Term	91	11-Mar-08	10-Jun-08	8.08%	180,000
Reserve Investment	Term	91	11-Mar-08	10-Jun-08	8.08%	320,000
Reserve Investment	Term	92	12-May-08	12-Aug-08	7.73%	1,000,000
Reserve Investment	Term	91	11-Mar-08	10-Jun-08	8.08%	1,000,000
Trust Investment	Term	91	21-Apr-08	21-Jul-08	7.79%	21,320
<b>Sub Total</b>						<b>3,521,320</b>
% of Total Investments						28%
<b>NATIONAL AUSTRALIA BANK</b>						
Reserve Investment	Term	90	12-May-08	10-Aug-08	7.70%	860,000
Reserve Investment	Term	90	12-May-08	10-Aug-08	7.70%	750,000
<b>Sub Total</b>						<b>1,610,000</b>
% of Total Investments						13%
<b>ANZ BANK</b>						
Municipal Investment	Term	92	10-Mar-08	10-Jun-08	7.74%	500,000
Reserve Investment	Term	30	12-May-08	11-Jun-08	7.55%	500,000
<b>Sub Total</b>						<b>1,000,000</b>
% of Total Investments						8%
<b>BANKWEST</b>						
Municipal Investment	Term	91	11-Mar-08	10-Jun-08	8.21%	500,000
Municipal Investment	Term	91	3-Mar-08	2-Jun-08	8.07%	500,000
Municipal Investment	Term	90	18-Mar-08	16-Jun-08	7.88%	400,000
Reserve Investment	Term	90	18-Mar-08	16-Jun-08	7.88%	1,000,000
Reserve Investment	Term	91	12-May-08	11-Aug-08	7.86%	1,000,000
Reserve Investment	Term	91	12-May-08	11-Aug-08	7.86%	540,000
<b>Sub Total</b>						<b>3,940,000</b>
% of Total Investments						31%
<b>Group A % of Total Investments</b>						<b>79%</b>

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**LONG TERM RATING  
(STANDARD & POORS)  
A+ TO A-**

**SHORT TERM RATING (STANDARD  
& POORS)  
A1**

**MAXIMUM % of TOTAL INVESTMENTS for  
INDIVIDUAL FINANCIAL INSTITUTION  
30%**

Institution	Type	Days	Investment Date	Maturity Date	Interest Rate	Principal
<b>ST GEORGE BANK</b>						
Municipal Investment	Term	90	16-Apr-08	15-Jul-08	7.84%	350,000
Municipal Investment	Term	30	27-May-08	26-Jun-08	7.45%	500,000
Reserve Investment	Term	90	16-Apr-08	15-Jul-08	7.84%	350,000
<b>Sub Total</b>						<b>1,200,000</b>
% of Total Investments						9%
<b>Group B % of Total Investments</b>						9%

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LONG TERM RATING (STANDARD & POORS) BBB TO BBB-	SHORT TERM RATING (STANDARD & POORS) A2			MAXIMUM % of TOTAL INVESTMENTS for INDIVIDUAL FINANCIAL INSTITUTION 5%			
	Institution	Type	Days	Investment Date	Maturity Date	Interest Rate	Principal
<b>ADELAIDE BANK</b>							
	Municipal Investment	Term	92	3-Mar-08	3-Jun-08	8.03%	500,000
	<b>Sub Total</b>						<b>500,000</b>
	% of Total Investments						4%
<b>HOME BUILDING SOCIETY</b>							
	Reserve Investment	Term	124	26-Mar-08	28-Jul-08	8.00%	500,000
	<b>Sub Total</b>						<b>500,000</b>
	% of Total Investments						4%
<b>HONG KONG/SHANGHAI BANK AUST.</b>							
	Municipal Investment	Term	92	20-May-08	20-Aug-08	7.91%	500,000
	<b>Sub Total</b>						<b>500,000</b>
	% of Total Investments						4%
Bendigo Bank							
<b>NORTH PERTH COMMUNITY FINANCIAL SERVICES</b>							
	Share Investment (\$1.00)	Term	365	1-Jul-07	30-Jun-08		11,000
	<b>Sub Total</b>						<b>11,000</b>
	% of Total Investments						0.1%
	<b>Group C % of Total Investments</b>						<b>12%</b>
Total Share Investments							11,000
Total Trust Investments							21,320
Total Reserve Investments							7,820,000
Total Municipal Investments							4,930,000
<b>TOTAL INVESTMENTS</b>							<b>12,782,320</b>

**INVESTMENT EARNINGS PERFORMANCE**  
**31-May-08**

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	<b>YTD 31-May-08</b>	<b>Annual 30-Jun-08</b>	<b>Annual 30-Jun-07</b>
<b>Municipal Account</b>			
Budget Provision	486,850	535,000	370,000
Total Accrued Earnings	596,549	596,549	477,874
% Income to Budget	122.53%	111.50%	129.16%
<b>Reserve Account</b>			
Budget Provision	498,316	547,600	434,300
Total Accrued Earnings	579,588	579,588	572,670
% Income to Budget	116.31%	105.84%	131.86%

**PERCENTAGES OF AVERAGE ANNUAL FUNDS INVESTED**  
**31-May-08**

<b>Town of Vincent Total Investments</b>	<b>Long Term Rating (Standard &amp; Poors)</b>	<b>Short Term Rating (Standard &amp; Poors)</b>	<b>Maximum Percentage of Total Investments</b>
<b>Group A</b>	<b>AAA to AA-</b>	<b>A1+</b>	<b>45%</b>
Commonwealth Bank	AA		28%
National Australia Bank	AA		13%
Anz Bank	AA		8%
Bankwest	AA-		31%
<b>Group B</b>	<b>A+ to A-</b>	<b>A1</b>	<b>30%</b>
St George Bank	A+		9%
<b>Group C</b>	<b>BBB+ to BBB-</b>	<b>A2</b>	<b>5%</b>
Adelaide Bank	BBB+		4%
Bendigo Bank	BBB+		0.1%
Hong Kong/Shanghai Bank	BBB		4%
Home Building Society	BBB		4%
			<b>100%</b>