



Investment Strategy 2018-2020

Commodore: David Salau. August 2018.

Next review: August 2020

Version 2

The NEWC Investment strategy identifies how the funds of the club will be invested and allocated in accordance with the 2018 – 2020 Strategic Action Plan.

FINANCIAL RESOURCES:

The club funds are currently distributed in the following accounts

Bendigo Bank Statement Account

Bendigo Bank Term Deposit Account 1

Bendigo Bank Term Deposit Account 2

The statement account is a cheque account which is used for day to day operating costs, which are covered by membership contributions, fund raising and interest from Term Deposit Account 1. Expenditure from this account is approved by resolutions of the committee of management.

The term Deposit accounts hold funds that are reserved for capital expenditure. Expenditure from these accounts has to be approved at a general meeting of members.

GUIDING PRINCIPLES:

- The committee reviews the investments at the time that the investment matures such that the following requirements are met. Club funds must:
 - be invested with a reputable financial institution that is backed by a commonwealth accredited institution.
 - grow at least with CPI increases.
 - achieve the highest available interest rate.
 - have maturity dates that match expected expenditure as per the budget.
- The committee recommends fund allocations as per the Strategic Action Plan to a general meeting of members for inclusion in the yearly budget.

BUDGET ALLOCATIONS:

The operational budget is based on previous year's expenditure including CPI increases. Other budget items to be added are those identified in the Strategic Action Plan. Quotes and estimates will have to be obtained in order to make the appropriate budget allocations.