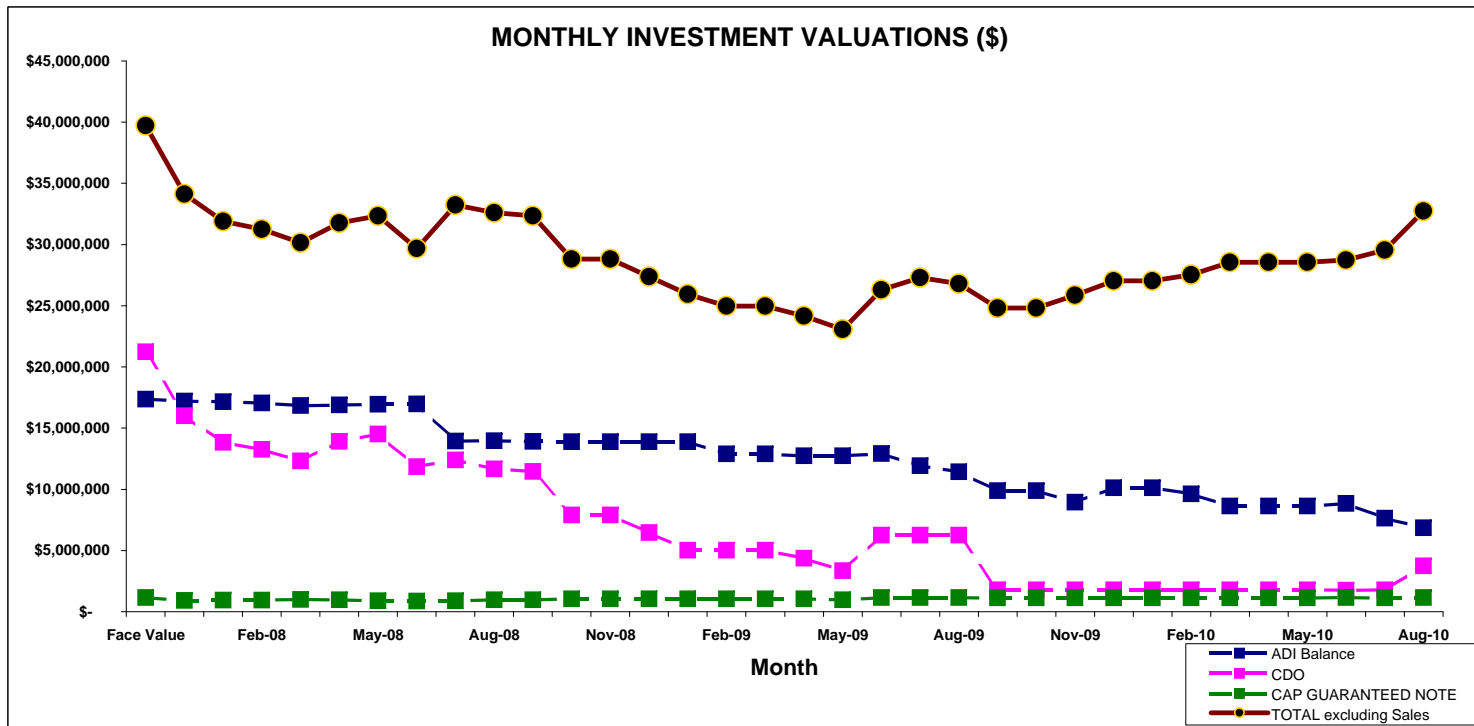
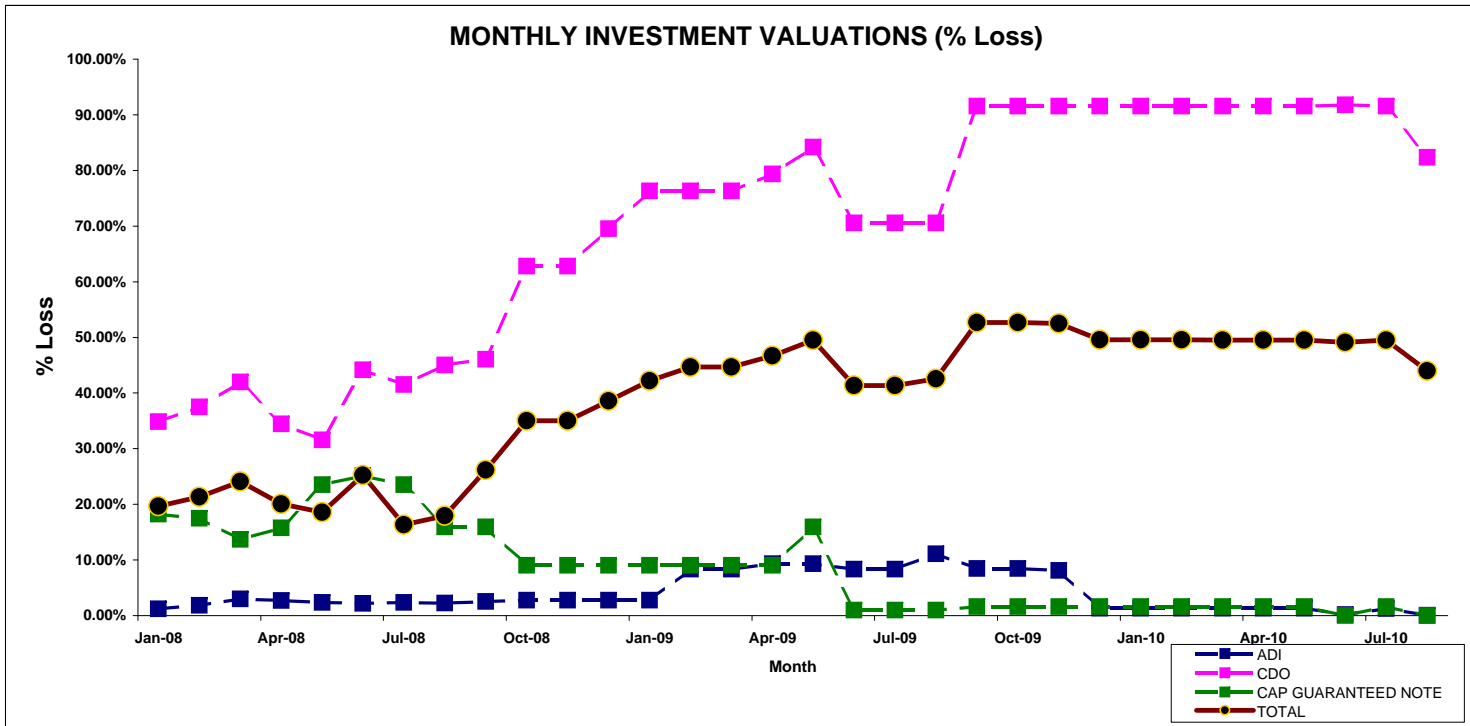


CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 AUGUST 2010

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2009 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL	\$ 66,569,224	\$ 66,564,484	\$ 66,568,568	\$ 4,084	0.01%
RESERVE	\$ 29,344,291	\$ 8,694,648	\$ 11,722,464	\$ 3,027,817	10.32%
TRUST	\$ 735,175	\$ 735,175	\$ 735,175	\$ -	0.00%
CRF	\$ 170,718	\$ 170,718	\$ 170,718	\$ -	0.00%
	\$ 96,819,407	\$ 76,165,024	\$ 79,196,925	\$ 3,031,901	3.13%

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2009 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 7,000,000	\$ 5,795,481	\$ 6,846,850	\$ 1,051,369	15.02%
CDO	\$ 21,220,000	\$ 1,788,844	\$ 3,750,668	\$ 1,961,824	9.25%
CAP GUARANTEED NOTE	\$ 1,150,000	\$ 1,131,292	\$ 1,150,000	\$ 18,708	1.63%
TERM DEPOSIT	\$ 60,357,273	\$ 60,357,273	\$ 60,357,273	\$ -	0.00%
11AM	\$ 6,861,489	\$ 6,861,489	\$ 6,861,489	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 96,819,407	\$ 76,165,024	\$ 79,196,925	\$ 3,031,901	3.13%

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2009 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AAA	\$ -	\$ -	\$ -	\$ -	0.00%
AA	\$ 33,318,762	\$ 32,338,362	\$ 32,988,762	\$ 650,400	1.95%
AA-	\$ 30,750,000	\$ 30,606,326	\$ 30,732,350	\$ 126,024	0.41%
A	\$ 10,800,000	\$ 10,032,365	\$ 10,692,750	\$ 660,385	6.11%
BBB+	\$ 1,000,000	\$ 918,233	\$ 984,500	\$ 66,267	6.63%
BBB	\$ 1,500,000	\$ 1,269,849	\$ 1,487,250	\$ 217,401	14.49%
BBB-	\$ 2,000,000	\$ 125,600	\$ 100,000	-\$ 25,600	-1.28%
BB+	\$ 1,800,000	\$ 355,140	\$ 793,620	\$ 438,480	24.36%
CCC+	\$ 3,300,000	\$ 39,000	\$ 160,920	\$ 121,920	3.69%
CCC	\$ 1,885,000	\$ 159,456	\$ 764,426	\$ 604,970	32.09%
CCC-	\$ 4,935,000	\$ 79,045	\$ 261,702	\$ 182,657	3.70%
C	\$ 5,300,000	\$ 11,003	\$ -	-\$ 11,003	-0.21%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 96,819,407	\$ 76,165,024	\$ 79,196,925	\$ 3,031,901	3.13%



**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 AUGUST 2010**

INSTITUTION / INVESTMENT	RISK of IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	PROPORTION	MAX. PER INSTITUTION POLICY 13-PL-003	PURCHASE PRICE \$	BOOK VALUE AT 30/6/2009 \$	CURRENT EST MARKET VALUE \$	INVESTMENT GAIN / (LOSS) SINCE 30/6/09 \$
BANKWEST (11AM)		11AM	4.45%	AA	4%	20%	\$4,061,489	\$4,061,489	\$4,061,489	\$0
WESTPAC (MAXI DIRECT)		11AM	4.50%	AA-	3%	20%	\$2,800,000	\$2,800,000	\$2,800,000	\$0
WESTPAC (MAXI BONUS 1)		11AM	4.50%	AA-	0%	20%	\$0	\$0	\$0	\$0
WESTPAC (MAXI BONUS 2)		11AM	4.50%	AA-	0%	20%	\$0	\$0	\$0	\$0
ANZ BANK		TERM	5.20%	AA-	2%	20%	\$2,000,000	\$2,000,000	\$2,000,000	\$0
BANKWEST (TERM)		TERM	5.70%	AA	11%	20%	\$10,757,273	\$10,757,273	\$10,757,273	\$0
COMMONWEALTH BANK		TERM	5.51%	AA	15%	20%	\$14,500,000	\$14,500,000	\$14,500,000	\$0
SUNCORP METWAY LTD (TERM)		TERM	5.98%	A	4%	20%	\$4,300,000	\$4,300,000	\$4,300,000	\$0
ING BANK		TERM	6.32%	A	3%	20%	\$3,000,000	\$3,000,000	\$3,000,000	\$0
NAB		TERM	5.74%	AA	15%	20%	\$15,000,000	\$15,000,000	\$15,000,000	\$0
WESTPAC (TERM)		TERM	5.80%	AA-	11%	20%	\$10,800,000	\$10,800,000	\$10,800,000	\$0
ADELAIDE BANK		ADI	5.32%	BBB+	1%	10%	\$1,000,000	\$918,233	\$984,500	\$66,267
ELDERS RURAL BANK		ADI	5.55%	BBB	2%	0%	\$1,500,000	\$1,269,849	\$1,487,250	\$217,401
MACQUARIE BANK		ADI	5.22%	A	2%	15%	\$1,500,000	\$965,599	\$1,418,130	\$452,531
SUNCORP METWAY LTD		ADI	4.23%	A	2%	15%	\$2,000,000	\$1,766,766	\$1,974,620	\$207,854
WESTPAC BANK		ADI	5.09%	AA-	1%	20%	\$1,000,000	\$875,034	\$982,350	\$107,316
DEUTSCHE BANK	Low	CAP	7.05%	AA-	1%	20%	\$1,150,000	\$1,131,292	\$1,150,000	\$18,708
APHEX (GLENELG)	High	CDO	6.60%	BBB-	2%	0%	\$2,000,000	\$125,600	\$100,000	-\$2,600
BERYL FINANCE GLOBAL BANK NOTE	Early Term.	CDO	0.00%	C	2%	0%	\$2,000,000	\$1	\$0	-\$1
BERYL FINANCE GLOBAL BANK NOTE 2	Early Term.	CDO	0.00%	C	0%	0%	\$450,000	\$1	\$0	-\$1
CORSAIR (CAYMAN) KAKADU	High	CDO	6.30%	CCC	2%	0%	\$1,500,000	\$76,950	\$473,250	\$396,300
CORSAIR (CAYMAN) TOROUAY	High	CDO	6.50%	CCC-	2%	0%	\$1,885,000	\$23,000	\$66,352	\$43,352
ETHICAL LIMITED GREEN	High	CDO	5.90%	CCC-	1%	0%	\$1,000,000	\$11,000	\$183,400	\$172,400
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.60%	BB+	2%	0%	\$1,800,000	\$355,140	\$793,620	\$438,480
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.74%	CCC+	2%	0%	\$1,800,000	\$21,000	\$160,920	\$139,920
MAGNOLIA FLINDERS	Moderate	CDO	6.40%	AA	2%	20%	\$2,000,000	\$1,019,600	\$1,670,000	\$650,400
MANAGED ACES CLASS 11A PARKES	High	CDO	4.24%	CCC-	1%	0%	\$1,000,000	\$16,800	\$2,500	-\$14,300
MANAGED ACES CLASS 1A PARKES	High	CDO	5.98%	CCC-	1%	0%	\$1,050,000	\$28,245	\$9,450	-\$18,795
OMEGA CAPITAL CLASS A HENLEY	High	CDO	5.70%	CCC	0%	0%	\$385,000	\$82,506	\$291,176	\$208,670
STARTS (CAYMAN) BLUE GUM	High	CDO	2.77%	CCC+	2%	0%	\$1,500,000	\$18,000	\$0	-\$18,000
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	C	2%	0%	\$1,500,000	\$9,300	\$0	-\$9,300
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	C	1%	0%	\$500,000	\$1,700	\$0	-\$1,700
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	C	1%	0%	\$850,000	\$1	\$0	-\$1
UNITS IN LOCAL GOVT HOUSE	Early Term.	UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$96,819,407	\$76,165,024	\$79,196,925	\$3,031,901

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO POLICY 13-PL-003	Comments
AAA	\$0	\$0	0%	100%	
AA	\$46,318,762	\$45,988,762	58%	80%	
AA-	\$17,750,000	\$17,732,350	22%	80%	
A	\$10,800,000	\$10,692,750	14%	50%	
BBB+	\$1,000,000	\$984,500	1%	20%	
BBB	\$1,500,000	\$1,487,250	2%	0%	Purchased Prior To Policy Change
BBB-	\$2,000,000	\$100,000	0%	0%	
BB+	\$1,800,000	\$793,620	1%	0%	
CCC+	\$3,300,000	\$160,920	0%	0%	
CCC	\$1,885,000	\$764,426	1%	0%	
CCC-	\$4,935,000	\$261,702	0%	0%	
C	\$5,300,000	\$0	0%	0%	
UNITS IN LOCAL GOVT. HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	96,819,407	79,196,925	100%		

DIVERSIFICATION RISK

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
BANKWEST (11AM)	11AM	AA	4,061,489	5.13%		20%	
BANKWEST (TERM)	TERM	AA	10,757,273	13.58%	18.71%	20%	
COMMONWEALTH BANK	TERM	AA	14,500,000	18.31%	18.31%	20%	
MACQUARIE BANK	ADI	A	1,418,130	1.79%		15%	
MACQUARIE BANK (TERM)	TERM	AAA	-	0.00%	1.79%	20%	
NAB	TERM	AA	15,000,000	18.94%	18.94%	20%	
ANZ BANK	TERM	AA-	2,000,000	2.53%	2.53%	20%	
ING BANK	TERM	A	3,000,000	3.79%	3.79%	20%	
SAVINGS & LOANS	TERM	AAA	-	0.00%	0.00%	25%	
ST GEORGE BANK (TERM)	TERM	AA-	-	0.00%	0.00%	20%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	2,800,000	3.54%		20%	
WESTPAC (TERM)	TERM	AA-	10,800,000	13.64%		20%	
WESTPAC BANK	ADI	AA-	982,350	1.24%	18.41%	20%	
ADELAIDE BANK	ADI	BBB+	984,500	1.24%	1.24%	10%	
ELDERS RURAL BANK	ADI	BBB	1,487,250	1.88%	1.88%	10%	
SUNCORP METWAY LTD (TERM)	TERM	A	4,300,000	5.43%		15%	
SUNCORP METWAY LTD	ADI	A	1,974,620	2.49%	7.92%	15%	
DEUTSCHE BANK - CAPITAL GUARANTEED NOTE	CAP	CAP	1,150,000	1.45%	1.45%	20%	
CDO - Various	CDO		3,750,668	4.74%	4.74%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.29%	0.29%		
			\$79,196,925	100%	100%		

MATURITY COMPARISON

TERM TO MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	67,048,044	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	25,054	0%	0%	Purchased Prior To Policy Change
	67,073,097	100%		
RESERVE FUNDS				
< 1 year	-	0%	100%	
< 2 years	4,095,676	35%	80%	
< 3 years	859,972	7%	80%	
< 4 years	817,570	7%	40%	
< 5 years	111,950	1%	40%	
> 5 years	5,837,296	50%	20%	Purchased Prior To Policy Change
	11,722,464	100%		