



STRATEGIC POLICY  
**MOUNT ISA CITY COUNCIL**  
 Prepayments Policy

RESOLUTION NO. **OM06/06/18** VERSION **V3**

**APPLIES TO STRATEGIC POLICIES ONLY**

This an official copy of the **PREPAYMENTS POLICY**, made in accordance with the provisions of *Local Government Act and Regulations, Public Records Act, Mount Isa City Council's Local Laws, Subordinate Local Laws and current Council Policies*.

Strategic policies are adopted by Council due to its desire to influence the direction of an issue or assist in the delegated decision making of Council officers. Strategic policies should follow the jurisdiction provided to Council through its Corporate Plan; the **PREPAYMENTS POLICY** is approved by the Mount Isa City Council for the operations and procedures of Council.

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 Sharon Ibardolaza  
**Chief Executive Officer**

DOCUMENT VERSION CONTROL					
I/R	832576	FILE	1208 Policy Register	POLICY TYPE	Strategic (Council)
VERSION	DATE	RESOLUTION NO.	DETAILS		
V1	29.05.2013	<b>OM48/05/13</b> Adopted	<b>Responsible Officer</b> Manager Finance & Administration <b>Description</b> Document Creation		
V2	28.06.2017	<b>OM13/06/17</b> Amended	<b>Responsible Officer</b> Manager Corporate & Financial Services <b>Description</b> Document Creation – Document Revision		
V3	13.06.2018	<b>OM06/06/18</b> Amended	<b>Responsible Officer</b> Manager Corporate & Financial Services <b>Description</b> Document Creation – Document Revision		
				<b>REVIEW DUE</b>	30/06/2020 <i>Review by Council</i>
				<b>EXTINGUISHED</b>	00.00.0000 Resolution No: OM00/00/00 <i>No further action required.</i>





## 1. PURPOSE

To set out the requirements regarding the approval and management of prepayments.

## 2. COMMENCEMENT

The Mount Isa City Council Prepayments Policy will take effect following its adoption by Council at the Ordinary Meeting on 13.06.2018.

## 3. APPLICATION

Prepaid expenses represent funds paid in advance of receiving the goods or services to which the payment relates. Types of these expenses can include (but is not limited to):

- Insurance Premiums;
- Lease Payments;
- Subscription and memberships;
- Car Registrations;
- Rent; and
- Goods of services where substantial savings can be made by paying in advance.

## POLICY

Prepayments represent funds paid in advance of receiving the goods or services to which the payments relate. The goods or services to which the prepayments relate maybe received at one future point in time or continually over a period of time in the future. Prepayments up to the value of \$300,000 made by Council may be expensed directly and not apportioned over the time period for which the expense relates.

Payment of invoices are authorised as per the Financial Delegations Register within the Procurement Policy. The assessment of whether a prepayment is recognised is undertaken by the Director &/ or Manager Corporate & Financial Services.

## 4. RESPONSIBILITIES

All employees & councillors are bound to act within this policy.

## 5. BREACH OF POLICY

Breach of this policy may lead to disciplinary or other action.

## 6. ASSOCIATED DOCUMENTS

Procurement Policy

## 7. VARIATION

Mount Isa City Council reserves the right to vary, replace or terminate this policy at any time.