

**Definition of cash and cash equivalents**

**South Oxfordshire District Council & Vale of White Horse District Council**

1. Cash and cash equivalents shall include bank overdrafts that are an integral part of the authority's cash management.
2. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment purposes.
3. There are no strict criteria to follow relating to the nature and maturity of items treated as cash equivalents and therefore the council has determined that the composition of cash equivalents will be as follows:
  - Investments that can be liquidated or accessed within 30 days i.e. money market funds, call accounts, and deposit accounts with a notice period of 30 days or less; and
  - Fixed term deposits with a maturity period of thirty days or less.
4. Equity investments are excluded from the definition.