

RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 22

meeting date: 26 JULY 2011
 title: TREASURY MANAGEMENT ACTIVITIES 2010/11
 submitted by: DIRECTOR OF RESOURCES
 principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To inform you of our 2010/2011 treasury management operations.

2 BACKGROUND

2.1 You have previously approved a treasury management policy in accordance with CIPFA's code of practice on treasury management for Local Authorities.

2.2 In accordance with this policy committee should receive an annual report on its treasury management operations.

3 INFORMATION

3.1 Since 5 March 2009, bank base interest rates have remained at 0.50%.

3.2 This has had no immediate effect on the interest payable on the Council's long-term loan debt from Public Works Loan Board, which is at fixed interest rates. However, interest received from the short-term investment of surplus funds have been affected by the low interest rate dramatically decreasing the Council's external investment interest.

4 BORROWING REQUIREMENTS

4.1 The movements of the Council's external debt for the period can be summarised as follows:

	PWLB £000	Other £000	Total £000
External Debt at 1 April 2010	578	7	585
Transactions: New Loans	0	3,575	3,575
Repayments	-71	-3,575	-3,646
External debt at 31 March 2011	507	7	514

4.2 The following temporary loans were taken out during the year. This was due to a shortfall in cash balances between paying precepts to Lancashire County Council, the Police and Fire Authorities and contributions to the National non domestic rating (NNDR) pool and receiving council tax and NNDR direct debit income. No further loans were taken out during the financial year.

Date Loan Taken	Investor	Amount £'000	Rate %	Date Repaid	Interest Paid £
21-Apr-2010	City of Edinburgh Council	1,000	0.45	30-Apr-10	110.96
21-Apr-2010	City of Edinburgh Council	500	0.45	28-Apr-10	43.15
21-Apr-2010	City of Edinburgh Council	500	0.45	30-Apr-10	55.48
22-Apr-2010	Blaenau Gwent Council	500	0.34	30-Apr-10	37.26
28-May-2010	West Sussex County Council	1,075	0.30	01-Jun-10	35.34
		3,575			282.19

4.3 The total interest paid on the Council's external debt during the period was £26,536.93 compared with £29,566.52 in the previous year.

5 INVESTMENTS

5.1 In accordance with the treasury management policy, surplus funds are temporarily invested via the money market at the best rate of interest available with the minimisation of risk to the capital sum.

5.2 The average interest we received on all external investments for the period 1 April 2010 to 31 March 2011 was 0.58%, which compares favourably with the average local authority seven-day notice deposit rate of 0.32%.

5.3 The movement in the Council's external investments are shown in annex 1 and can be summarised as follows:

	Banks/ Building Societies £000	Other Local Authorities £000	Total £000
Investments at 1 April 2010	0	0	0
Transactions – Investments	64,467	0	64,467
Repayments	-64,187	0	-64,187
Investments at 31 March 2011	280	0	280

5.4 The total interest received from investments and loans to outside bodies was £24,393 compared with £18,443 for the previous year. Interest was allocated as follows:

Interest Allocated to:	2009/10 £	2010/11 £
General Fund	15,112	20,904
Trusts & Bequests	3,331	3,489
	18,443	24,393

6 PRUDENTIAL INDICATORS

6.1 The Prudential Code for Capital Finance in Local Authorities (the Code) initially came into effect from 1 April 2004. It was revised in 2009 to take account of the implications of the implementation of the International Financial Reporting Standard (IFRS).

6.2 Under the code the Council is required to set prudential indicators to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

6.3 In March 2010 the Council agreed to monitor four prudential indicators in accordance with this code.

- ❖ Upper limits on variable rate exposure. This indicator identifies a maximum limit for variable interest rates based upon the debt provision net of investments
- ❖ Upper limits on fixed rate exposure. Similar to the previous indicators, this covers a maximum limit on fixed interest rates.
- ❖ Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.
- ❖ Total principal funds invested for a period longer than 364 days. These limits are set to reduce the need for early sale of investment and are based on the availability of investments after each year-end.

6.4 The limits set on interest rate exposures for 2010/11 were as follows:

	Upper Limit £'000	Actual £'000
Maximum Principal Sums Borrowed >364 days	6,589	586
Limits on Fixed Interest Rates (100%)	6,589	3,086
Limits on Variable Interest Rates (20%)	1,318	0

6.5 The upper and lower limits for the maturity structure of its borrowings for 2010/11 were as follows:

	Upper Limit %	Actual %
Under 12 months	20	12.14
12 Months and Within 24 Months	20	12.14
24 Months and Within 5 Years	40	33.38
5 Years and Within 10 Years	30	19.55
10 Years and Above	90	22.79

6.6 The total principal funds invested for a period longer than 364 days was set at nil. No investments have been made in the financial year for longer than this period.

7 CONCLUSION

- 7.1 The current economic climate continues to have a detrimental impact on the interest we receive on our investments.

SENIOR ACCOUNTANT

PF45-11/TH/AC
14 JULY 2011

POLICY AND FINANCE COMMITTEE

TEMPORARY INVESTMENT ACTIVITY – 2010/11

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
NEW INVESTMENTS - 2010/11									
Apr									
06-Apr-10	1	HSBC	130,000	0.310	07-Apr-10	-130,000	-1.10	AA	F1+
07-Apr-10	2	Skipton BS	400,000	0.450	21-Apr-10	-400,000	-69.04	A-	F2
07-Apr-10	3	HSBC	200,000	0.310	08-Apr-10	-200,000	-1.70	AA	F1+
08-Apr-10	4	HSBC	210,000	0.310	09-Apr-10	-210,000	-1.78	AA	F1+
09-Apr-10	5	HSBC	200,000	0.310	12-Apr-10	-200,000	-5.10	AA	F1+
09-Apr-10	6	Skipton BS	300,000	0.470	19-Apr-10	0	-38.63	A-	F2
19-Apr-10	6	Skipton BS	Rolled over	0.400	21-Apr-10	-300,000	-6.58	A-	F2
12-Apr-10	7	HSBC	50,000	0.310	13-Apr-10	-50,000	-0.42	AA	F1+
13-Apr-10	8	HSBC	90,000	0.310	14-Apr-10	-90,000	-0.76	AA	F1+
14-Apr-10	9	HSBC	150,000	0.310	15-Apr-10	-150,000	-1.27	AA	F1+
15-Apr-10	10	HSBC	500,000	0.310	19-Apr-10	-500,000	-16.99	AA	F1+
16-Apr-10	11	HSBC	150,000	0.310	21-Apr-10	-150,000	-6.37	AA	F1+
22-Apr-10	12	HSBC	240,000	0.310	26-Apr-10	-240,000	-8.15	AA	F1+
23-Apr-10	13	HSBC	110,000	0.310	26-Apr-10	-110,000	-2.80	AA	F1+
26-Apr-10	14	HSBC	235,000	0.310	27-Apr-10	-235,000	-2.00	AA	F1+
27-Apr-10	15	HSBC	180,000	0.310	28-Apr-10	-180,000	-1.53	AA	F1+
28-Apr-10	16	HSBC	70,000	0.310	29-Apr-10	-70,000	-0.59	AA	F1+
28-Apr-10	17	HSBC	200,000	0.310	04-May-10	-200,000	-10.19	AA	F1+
29-Apr-10	18	HSBC	190,000	0.310	05-May-10	-190,000	-9.68	AA	F1+
30-Apr-10	19	Skipton BS	350,000	0.450	10-May-10	-350,000	-43.15	A-	F2
30-Apr-10	20	HSBC	100,000	0.310	05-May-10	-100,000	-4.25	AA	F1+
			4,055,000			-4,055,000	-232.08		

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
May									
04-May-10	21	Skipton BS	350,000	0.470	14-May-10	-350,000	-45.07	A-	F2
04-May-10	22	Skipton BS	200,000	0.470	20-May-10	0	-41.21	A-	F2
20-May-10	22	Skipton BS	Rolled over	0.300	24-May-10	0	-6.58	A-	F2
24-May-10	22	Skipton BS	Rolled over	0.450	28-May-10	-200,000	-9.86	A-	F2
04-May-10	23	HSBC	140,000	0.310	05-May-10	-140,000	-1.19	AA	F1+
05-May-10	24	HSBC	100,000	0.310	06-May-10	-100,000	-0.85	AA	F1+
06-May-10	25	HSBC	170,000	0.310	07-May-10	-170,000	-1.44	AA	F1+
07-May-10	26	Skipton BS	240,000	0.470	21-May-10	-240,000	-43.27	A-	F2
10-May-10	27	HSBC	60,000	0.310	11-May-10	-60,000	-0.51	AA	F1+
11-May-10	28	HSBC	70,000	0.310	12-May-10	-70,000	-0.59	AA	F1+
12-May-10	29	HSBC	95,000	0.310	13-May-10	-95,000	-0.81	AA	F1+
13-May-10	30	Skipton BS	320,000	0.470	28-May-10	-320,000	-61.81	A-	F2
14-May-10	31	Skipton BS	240,000	0.470	28-May-10	-240,000	-43.27	A-	F2
17-May-10	32	HSBC	300,000	0.310	20-May-10	-300,000	-7.64	AA	F1+
17-May-10	33	Skipton BS	250,000	0.460	24-May-10	0	-22.05	A-	F2
24-May-10	33	Skipton BS	Rolled over	0.450	28-May-10	-250,000	-12.33	A-	F2
17-May-10	34	Skipton BS	250,000	0.460	28-May-10	-250,000	-34.66	A-	F2
18-May-10	35	HSBC	55,000	0.310	19-May-10	-55,000	-0.47	AA	F1+
19-May-10	36	HSBC	110,000	0.310	20-May-10	-110,000	-0.93	AA	F1+
20-May-10	37	HSBC	130,000	0.310	24-May-10	-130,000	-4.42	AA	F1+
24-May-10	38	HSBC	150,000	0.310	25-May-10	-150,000	-1.27	AA	F1+
25-May-10	39	HSBC	95,000	0.310	26-May-10	-95,000	-0.81	AA	F1+
27-May-10	40	HSBC	50,000	0.310	28-May-10	-50,000	-0.42	AA	F1+
28-May-10	41	HSBC	140,000	0.310	01-Jun-10	-140,000	-4.76	AA	F1+
			3,515,000			-3,515,000	-346.22		
Jun									
01-Jun-10	42	HSBC	1,350,000	0.310	02-Jun-10	-1,350,000	-11.47	AA	F1+
02-Jun-10	43	HSBC	385,000	0.310	03-Jun-10	-385,000	-3.27	AA	F1+
02-Jun-10	44	Skipton BS	600,000	0.480	22-Jun-10	-600,000	-157.81	A-	F2

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
02-Jun-10	45	Skipton BS	500,000	0.550	06-Jul-10	-500,000	-256.16	A-	F2
03-Jun-10	46	HSBC	60,000	0.310	04-Jun-10	-60,000	-0.51	AA	F1+
04-Jun-10	47	HSBC	180,000	0.310	07-Jun-10	-180,000	-4.59	AA	F1+
07-Jun-10	48	HSBC	160,000	0.310	08-Jun-10	-160,000	-1.36	AA	F1+
08-Jun-10	49	HSBC	200,000	0.310	14-Jun-10	-200,000	-10.19	AA	F1+
10-Jun-10	50	HSBC	110,000	0.310	11-Jun-10	-110,000	-0.93	AA	F1+
11-Jun-10	51	HSBC	140,000	0.310	18-Jun-10	-140,000	-8.32	AA	F1+
11-Jun-10	52	Skipton BS	200,000	0.450	01-Jul-10	-200,000	-49.32	A-	F2
14-Jun-10	53	HSBC	75,000	0.310	15-Jun-10	-75,000	-0.64	AA	F1+
15-Jun-10	54	Skipton BS	200,000	0.450	01-Jul-10	-200,000	-39.45	A-	F2
15-Jun-10	55	HSBC	550,000	0.310	21-Jun-10	-550,000	-28.03	AA	F1+
16-Jun-10	56	HSBC	60,000	0.310	17-Jun-10	-60,000	-0.51	AA	F1+
17-Jun-10	57	HSBC	110,000	0.310	18-Jun-10	-110,000	-0.93	AA	F1+
18-Jun-10	58	HSBC	145,000	0.310	05-Jul-10	-145,000	-20.94	AA	F1+
21-Jun-10	59	HSBC	150,000	0.310	22-Jun-10	-150,000	-1.27	AA	F1+
21-Jun-10	60	HSBC	300,000	0.310	06-Jul-10	-300,000	-38.22	AA	F1+
22-Jun-10	61	HSBC	190,000	0.310	23-Jun-10	-190,000	-1.61	AA	F1+
23-Jun-10	62	HSBC	200,000	0.310	24-Jun-10	-200,000	-1.70	AA	F1+
24-Jun-10	63	HSBC	200,000	0.310	25-Jun-10	-200,000	-1.70	AA	F1+
25-Jun-10	64	HSBC	235,000	0.310	06-Jul-10	-235,000	-21.95	AA	F1+
			6,300,000			-6,300,000	-660.88		
July									
28-Jun-10	65	Skipton BS	600,000	0.480	06-Jul-10	-600,000	-63.12	A-	F2
30-Jun-10	66	Yorkshire BS	1,300,000	0.300	06-Jul-10	-1,300,000	-64.11	A-	F2
30-Jun-10	67	Santander UK Plc	400,000	0.870	03-Aug-10	-400,000	-324.16	AA-	F1+
30-Jun-10	68	Santander UK Plc	200,000	0.890	11-Aug-10	-200,000	-204.82	AA-	F1+
30-Jun-10	69	HSBC	500,000	0.310	22-Jul-10	-500,000	-93.42	AA	F1+
30-Jun-10	70	HSBC	75,000	0.310	05-Jul-10	-75,000	-3.18	AA	F1+
01-Jul-10	71	HSBC	175,000	0.310	02-Jul-10	-175,000	-1.49	AA	F1+
02-Jul-10	72	HSBC	185,000	0.310	05-Jul-10	-185,000	-4.71	AA	F1+

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
05-Jul-10	73	Skipton BS	250,000	0.500	11-Aug-10	-250,000	-126.71	A-	F2
05-Jul-10	74	HSBC	150,000	0.310	06-Jul-10	-150,000	-1.27	AA	F1+
06-Jul-10	75	HSBC	160,000	0.310	12-Jul-10	-160,000	-8.15	AA	F1+
08-Jul-10	76	HSBC	100,000	0.310	12-Jul-10	-100,000	-3.40	AA	F1+
09-Jul-10	77	HSBC	195,000	0.310	16-Jul-10	-195,000	-11.59	AA	F1+
12-Jul-10	78	HSBC	200,000	0.310	19-Jul-10	-200,000	-11.89	AA	F1+
14-Jul-10	79	HSBC	100,000	0.310	19-Jul-10	-100,000	-4.25	AA	F1+
15-Jul-10	80	Skipton BS	350,000	0.480	11-Aug-10	-350,000	-124.27	A-	F2
15-Jul-10	81	HSBC	125,000	0.310	26-Jul-10	-125,000	-11.68	AA	F1+
16-Jul-10	82	HSBC	100,000	0.310	19-Jul-10	-100,000	-2.55	AA	F1+
20-Jul-10	83	Skipton BS	150,000	0.470	11-Aug-10	-150,000	-42.49	A-	F2
19-Jul-10	84	HSBC	115,000	0.310	20-Jul-10	-115,000	-0.98	AA	F1+
20-Jul-10	85	HSBC	85,000	0.310	21-Jul-10	-85,000	-0.72	AA	F1+
22-Jul-10	86	HSBC	80,000	0.310	23-Jul-10	-80,000	-0.68	AA	F1+
23-Jul-10	87	HSBC	115,000	0.310	26-Jul-10	-115,000	-2.93	AA	F1+
26-Jul-10	88	HSBC	110,000	0.310	27-Jul-10	-110,000	-0.93	AA	F1+
27-Jul-10	89	HSBC	135,000	0.310	28-Jul-10	-135,000	-1.15	AA	F1+
28-Jul-10	90	Skipton BS	660,000	0.450	11-Aug-10	-660,000	-113.92	A-	F2
28-Jul-10	91	HSBC	135,000	0.310	29-Jul-10	-135,000	-1.15	AA	F1+
29-Jul-10	92	HSBC	160,000	0.310	30-Jul-10	-160,000	-1.36	AA	F1+
30-Jul-10	93	HSBC	240,000	0.310	02-Aug-10	-240,000	-6.12	AA	F1+
			7,150,000			-7,150,000	-1,237.20		
August									
02-Aug-10	94	Santander UK Plc	400,000	0.380	11-Aug-10	-400,000	-37.48	AA-	F1+
02-Aug-10	95	Santander UK Plc	500,000	0.380	13-Aug-10	0	-57.26	AA-	F1+
13-Aug-10	95	Santander UK Plc	Rolled over	0.870	17-Sep-10	0	-417.12	AA-	F1+
17-Sep-10	95	Santander UK Plc	Rolled over	0.880	25-Oct-10	-500,000	-458.08	AA-	F1+
02-Aug-10	96	Yorkshire BS	1,000,000	0.200	11-Aug-10	-1,000,000	-49.32	A-	F2
02-Aug-10	97	HSBC	250,000	0.310	09-Aug-10	-250,000	-14.86	AA	F1+
02-Aug-10	98	HSBC	250,000	0.310	16-Aug-10	-250,000	-29.73	AA	F1+

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
03-Aug-10	99	HSBC	130,000	0.310	20-Aug-10	-130,000	-18.77	AA	F1+
04-Aug-10	100	HSBC	250,000	0.310	13-Aug-10	-250,000	-19.11	AA	F1+
06-Aug-10	101	HSBC	200,000	0.310	19-Aug-10	-200,000	-22.08	AA	F1+
09-Aug-10	102	HSBC	75,000	0.310	31-Aug-10	-75,000	-14.01	AA	F1+
09-Aug-10	103	HSBC	185,000	0.310	19-Aug-10	-185,000	-15.71	AA	F1+
11-Aug-10	104	HSBC	150,000	0.310	13-Aug-10	-150,000	-2.55	AA	F1+
12-Aug-10	105	HSBC	75,000	0.310	16-Aug-10	-75,000	-2.55	AA	F1+
13-Aug-10	106	HSBC	115,000	0.310	23-Aug-10	-115,000	-9.77	AA	F1+
16-Aug-10	107	Skipton BS	400,000	0.450	01-Sep-10	-400,000	-78.90	A-	F2
16-Aug-10	108	HSBC	200,000	0.310	23-Aug-10	-200,000	-11.89	AA	F1+
16-Aug-10	109	HSBC	300,000	0.310	17-Aug-10	-300,000	-2.55	AA	F1+
17-Aug-10	110	HSBC	240,000	0.310	18-Aug-10	-240,000	-2.04	AA	F1+
18-Aug-10	111	HSBC	210,000	0.310	19-Aug-10	-210,000	-1.78	AA	F1+
19-Aug-10	112	HSBC	240,000	0.310	20-Aug-10	-240,000	-2.04	AA	F1+
20-Aug-10	113	Santander UK Plc	300,000	0.730	17-Sep-10	-300,000	-168.00	AA-	F1+
20-Aug-10	114	HSBC	70,000	0.310	23-Aug-10	-70,000	-1.78	AA	F1+
23-Aug-10	115	HSBC	150,000	0.310	10-Sep-10	-150,000	-22.93	AA	F1+
23-Aug-10	116	HSBC	140,000	0.310	24-Aug-10	-140,000	-1.19	AA	F1+
24-Aug-10	117	HSBC	65,000	0.310	25-Aug-10	-65,000	-0.55	AA	F1+
24-Aug-10	118	HSBC	100,000	0.310	03-Sep-10	-100,000	-8.49	AA	F1+
25-Aug-10	119	HSBC	90,000	0.310	26-Aug-10	-90,000	-0.76	AA	F1+
26-Aug-10	120	HSBC	100,000	0.310	27-Aug-10	-100,000	-0.85	AA	F1+
27-Aug-10	121a	HSBC	180,000	0.310	06-Sep-10	-180,000	-15.29	AA	F1+
			6,365,000			-6,365,000	-1,487.44		
September									
31-Aug-10	121b	Santander UK Plc	700,000	0.380	17-Sep-10	-700,000	-123.89	AA-	F1+
31-Aug-10	122	Nationwide	1,500,000	0.330	17-Sep-10	-1,500,000	-230.55	AA-	F1+
31-Aug-10	123	Skipton Bs	500,000	0.450	22-Sep-10	-500,000	-135.62	A-	F2
31-Aug-10	124	HSBC	170,000	0.310	13-Sep-10	-170,000	-18.77	AA	F1+
31-Aug-10	125	HSBC	170,000	0.310	20-Sep-10	-170,000	-28.88	AA	F1+

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
01-Sep-10	126	Skipton	350,000	0.520	04-Oct-10	-350,000	-164.55	A-	F2
03-Sep-10	127	HSBC	180,000	0.310	10-Sep-10	-180,000	-10.70	AA	F1+
06-Sep-10	128	HSBC	160,000	0.310	07-Sep-10	-160,000	-1.36	AA	F1+
07-Sep-10	129	Skipton BS	200,000	0.450	27-Sep-10	0	-49.32	A-	F2
27-Sep-10	129	Skipton BS	Rolled over	0.470	11-Oct-10	0	-36.05	A-	F2
11-Oct-10	129	Skipton BS	Rolled over	0.470	04-Nov-10	-200,000	-61.81	A-	F2
08-Sep-10	130	HSBC	60,000	0.310	09-Sep-10	-60,000	-0.51	AA	F1+
09-Sep-10	131	HSBC	80,000	0.310	16-Sep-10	-80,000	-4.76	AA	F1+
10-Sep-10	132	Skipton BS	300,000	0.520	19-Oct-10	-300,000	-166.68	A-	F2
10-Sep-10	133	HSBC	150,000	0.310	13-Sep-10	-150,000	-3.82	AA	F1+
13-Sep-10	134	Skipton BS	150,000	0.500	08-Oct-10	-150,000	-51.37	A-	F2
13-Sep-10	135	HSBC	180,000	0.310	14-Sep-10	-180,000	-1.53	AA	F1+
14-Sep-10	136	HSBC	180,000	0.310	17-Sep-10	-180,000	-4.59	AA	F1+
15-Sep-10	137	HSBC	350,000	0.310	17-Sep-10	-350,000	-5.95	AA	F1+
16-Sep-10	138	HSBC	100,000	0.310	24-Sep-10	-100,000	-6.79	AA	F1+
17-Sep-10	139	HSBC	150,000	0.310	21-Sep-10	-150,000	-5.10	AA	F1+
20-Sep-10	140	HSBC	100,000	0.310	22-Sep-10	-100,000	-1.70	AA	F1+
21-Sep-10	141	HSBC	180,000	0.310	22-Sep-10	-180,000	-1.53	AA	F1+
22-Sep-10	142	Skipton BS	300,000	0.500	25-Oct-10	0	-135.62	A-	F2
25-Oct-10	142	Skipton BS	Rolled over	0.520	30-Nov-10	0	-153.86	A-	F2
30-Nov-10	142	Skipton BS	Rolled over	0.430	06-Dec-10	0	-21.21	A-	F2
06-Dec-10	142	Skipton BS	Rolled over	0.450	13-Dec-10	0	-25.89	A-	F2
13-Dec-10	142	Skipton BS	Rolled over	0.430	20-Dec-10	0	-24.74	A-	F2
20-Dec-10	142	Skipton BS	Rolled over	0.430	10-Jan-11	0	-74.22	A-	F2
10-Jan-11	142	Skipton BS	Rolled over	0.430	17-Jan-11	0	-24.74	A-	F2
17-Jan-11	142	Skipton BS	Rolled over	0.430	24-Jan-11	-300,000	-24.74	A-	F2
23-Sep-10	143	HSBC	90,000	0.310	24-Sep-10	-90,000	-0.76	AA	F1+
24-Sep-10	144	HSBC	160,000	0.310	27-Sep-10	-160,000	-4.08	AA	F1+
24-Sep-10	145	HSBC	90,000	0.310	01-Oct-10	-90,000	-5.35	AA	F1+
			6,550,000			-6,550,000	-1,611.04		

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
October									
28-Sep-10	146	Santander UK Plc	500,000	0.710	25-Oct-10	-500,000	-262.60	AA-	F1+
28-Sep-10	147	HSBC	200,000	0.310	04-Oct-10	-200,000	-10.19	AA	F1+
30-Sep-10	148	HSBC	200,000	0.310	04-Oct-10	-200,000	-6.79	AA	F1+
30-Sep-10	149	HSBC	250,000	0.310	11-Oct-10	-250,000	-23.36	AA	F1+
30-Sep-10	150	Santander UK Plc	500,000	0.820	25-Oct-10	-500,000	-280.82	AA-	F1+
30-Sep-10	151	Nationwide	1,500,000	0.410	25-Oct-10	-1,500,000	-421.23	AA-	F1+
01-Oct-10	152	HSBC	130,000	0.310	22-Oct-10	-130,000	-23.19	AA	F1+
04-Oct-10	153	HSBC	200,000	0.310	18-Oct-10	-200,000	-23.78	AA	F1+
06-Oct-10	154	HSBC	80,000	0.310	07-Oct-10	-80,000	-0.68	AA	F1+
07-Oct-10	155	Skipton BS	160,000	0.520	05-Nov-10	0	-66.10	A-	F2
05-Nov-10	155	Skipton BS	Rolled over	0.520	06-Nov-10	-160,000	-70.66	A-	F2
11-Oct-10	156	HSBC	145,000	0.310	12-Oct-10	-145,000	-1.23	AA	F1+
12-Oct-10	157	HSBC	120,000	0.310	13-Oct-10	-120,000	-1.02	AA	F1+
13-Oct-10	158	HSBC	135,000	0.310	14-Oct-10	-135,000	-1.15	AA	F1+
14-Oct-10	159	HSBC	155,000	0.310	15-Oct-10	-155,000	-1.32	AA	F1+
15-Oct-10	160	Skipton BS	200,000	0.450	04-Nov-10	-200,000	-49.32	A-	F2
15-Oct-10	161	Bank Of Scotland	500,000	0.510	22-Nov-10	0	-265.48	AA-	F1+
22-Nov-10	161	Bank Of Scotland	Rolled over	0.530	07-Jan-11	-500,000	-333.97	AA-	F1+
15-Oct-10	162	HSBC	100,000	0.310	19-Oct-10	-100,000	-3.40	AA	F1+
15-Oct-10	163	HSBC	100,000	0.310	01-Nov-10	-100,000	-14.44	AA	F1+
18-Oct-10	164	HSBC	100,000	0.310	01-Nov-10	-100,000	-11.89	AA	F1+
20-Oct-10	165	HSBC	170,000	0.310	25-Oct-10	-170,000	-7.22	AA	F1+
21-Oct-10	166	HSBC	70,000	0.310	25-Oct-10	-70,000	-2.38	AA	F1+
22-Oct-10	167	HSBC	60,000	0.310	25-Oct-10	-60,000	-1.53	AA	F1+
25-Oct-10	168	HSBC	150,000	0.310	01-Nov-10	-150,000	-8.92	AA	F1+
27-Oct-10	169	HSBC	110,000	0.310	28-Oct-10	-110,000	-0.93	AA	F1+
28-Oct-10	170	Santander UK Plc	770,000	0.870	30-Nov-10	-770,000	-605.66	AA-	F1+
29-Oct-10	171	HSBC	55,000	0.310	01-Nov-10	-55,000	-1.40	AA	F1+
			6,660,000			-6,660,000	-2,500.66		

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
November									
01-Nov-10	172	Nationwide	1,500,000	0.470	30-Nov-10	0	-560.14	AA-	F1+
30-Nov-10	172	Nationwide	Rolled over	0.490	07-Jan-11	-1,500,000	-765.21	AA-	F1+
01-Nov-10	173	Santander UK Plc	380,000	0.820	30-Nov-10	-380,000	-247.57	AA-	F1+
01-Nov-10	174	Santander UK Plc	350,000	0.870	01-Dec-10	-350,000	-250.27	AA-	F1+
01-Nov-10	175	Skipton BS	170,000	0.520	03-Dec-10	-170,000	-77.50	A-	F2
01-Nov-10	176	Skipton BS	200,000	0.480	22-Nov-10	0	-55.23	A-	F2
22-Nov-10	176	Skipton BS	Rolled over	0.430	13-Dec-10	0	-49.48	A-	F2
13-Dec-10	176	Skipton BS	Rolled over	0.490	07-Jan-11	-200,000	-67.12	A-	F2
01-Nov-10	177	HSBC	200,000	0.310	08-Nov-10	-200,000	-11.89	AA	F1+
03-Nov-10	178	HSBC	100,000	0.310	05-Nov-10	-100,000	-1.70	AA	F1+
08-Nov-10	179	HSBC	170,000	0.310	09-Nov-10	-170,000	-1.44	AA	F1+
09-Nov-10	180	HSBC	100,000	0.310	10-Nov-10	-100,000	-0.85	AA	F1+
10-Nov-10	181	HSBC	120,000	0.310	11-Nov-10	-120,000	-1.02	AA	F1+
11-Nov-10	182	HSBC	140,000	0.310	12-Nov-10	-140,000	-1.19	AA	F1+
15-Nov-10	183	Skipton BS	340,000	0.510	21-Dec-10	-340,000	-185.28	A-	F2
15-Nov-10	184	Skipton BS	300,000	0.520	20-Dec-10	0	-149.59	A-	F2
20-Dec-10	184	Skipton BS	Rolled over	0.430	14-Jan-11	-300,000	-88.36	A-	F2
18-Nov-10	185	HSBC	75,000	0.310	19-Nov-10	-75,000	-0.64	AA	F1+
19-Nov-10	186	HSBC	150,000	0.310	22-Nov-10	-150,000	-3.82	AA	F1+
22-Nov-10	187	HSBC	115,000	0.310	23-Nov-10	-115,000	-0.98	AA	F1+
24-Nov-10	188	HSBC	70,000	0.310	25-Nov-10	-70,000	-0.59	AA	F1+
25-Nov-10	189	HSBC	90,000	0.310	29-Nov-10	-90,000	-3.06	AA	F1+
26-Nov-10	190	HSBC	100,000	0.310	29-Nov-10	-100,000	-2.55	AA	F1+
			4,670,000			-4,670,000	-2,525.48		
December									
29-Nov-10	191	Bank Of Scotland	400,000	0.520	05-Jan-11	-400,000	-210.85	AA-	F1+
30-Nov-10	192	Yorkshire BS	600,000	0.350	07-Jan-11	-600,000	-218.63	A-	F2
30-Nov-10	193	HSBC	120,000	0.310	01-Dec-10	-120,000	-1.02	AA	F1+
01-Dec-10	194	HSBC	150,000	0.310	22-Dec-10	-150,000	-26.75	AA	F1+

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings	
								At Time of Investment	Long-Term
03-Dec-10	195	HSBC	100,000	0.310	06-Dec-10	-100,000	-2.55	AA	F1+
06-Dec-10	196	HSBC	130,000	0.310	07-Dec-10	-130,000	-1.10	AA	F1+
07-Dec-10	197	HSBC	100,000	0.310	08-Dec-10	-100,000	-0.85	AA	F1+
10-Dec-10	198	Skipton BS	200,000	0.440	29-Dec-10	0	-45.81	A-	F2
29-Dec-10	198	Skipton BS	Rolled over	0.430	10-Jan-11	-200,000	-28.27	A-	F2
14-Dec-10	199	HSBC	60,000	0.310	15-Dec-10	-60,000	-0.51	AA	F1+
15-Dec-10	200	HSBC	100,000	0.310	17-Dec-10	-100,000	-1.70	AA	F1+
15-Dec-10	201	HSBC	100,000	0.310	20-Dec-10	-100,000	-4.25	AA	F1+
15-Dec-10	202	HSBC	150,000	0.310	31-Dec-10	-150,000	-20.38	AA	F1+
15-Dec-10	203	HSBC	200,000	0.310	07-Jan-11	-200,000	-39.07	AA	F1+
17-Dec-10	204	HSBC	130,000	0.310	20-Dec-10	-130,000	-3.31	AA	F1+
20-Dec-10	205	HSBC	140,000	0.310	21-Dec-10	-140,000	-1.19	AA	F1+
21-Dec-10	206	HSBC	140,000	0.310	22-Dec-10	-140,000	-1.19	AA	F1+
23-Dec-10	207	HSBC	120,000	0.310	24-Dec-10	-120,000	-1.02	AA	F1+
24-Dec-10	208	HSBC	180,000	0.310	04-Jan-11	-180,000	-16.82	AA	F1+
31-Dec-10	209	Yorkshire BS	400,000	0.350	20-Jan-11	-400,000	-76.71	A-	F2
31-Dec-10	210	Yorkshire BS	500,000	0.400	14-Feb-11	-500,000	-246.58	A-	F2
31-Dec-10	211	Barclays Bank PLC	1,500,000	0.515	14-Feb-11	-1,500,000	-952.40	AA-	F1+
			5,520,000			-5,520,000	-1,900.96		
Jan									
04-Jan-11	212	Skipton BS	300,000	0.450	24-Jan-11	0	-73.97	A-	F2
24-Jan-11	212	Skipton BS	Rolled over	0.450	14-Feb-11	0	-77.67	A-	F2
14-Feb-11	212	Skipton BS	Rolled over	0.520	17-Mar-11	-300,000	-132.49	A-	F2
04-Jan-11	213	HSBC	250,000	0.310	05-Jan-11	-250,000	-2.12	AA	F1+
05-Jan-11	214	HSBC	100,000	0.310	19-Jan-11	-100,000	-11.89	AA	F1+
05-Jan-11	215	HSBC	130,000	0.310	21-Jan-11	-130,000	-17.67	AA	F1+
05-Jan-11	216	HSBC	100,000	0.310	06-Jan-11	-100,000	-0.85	AA	F1+
10-Jan-11	217	HSBC	140,000	0.310	28-Jan-11	-140,000	-21.40	AA	F1+
13-Jan-10	218	HSBC	90,000	0.310	14-Jan-11	-90,000	-0.76	AA	F1+
12-Jan-11	219	HSBC	120,000	0.310	13-Jan-11	-120,000	-1.02	AA	F1+

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
13-Jan-11	220	HSBC	70,000	0.310	17-Jan-11	-70,000	-2.38	AA	F1+
14-Jan-11	221	HSBC	250,000	0.310	17-Jan-11	-250,000	-6.37	AA	F1+
17-Jan-11	222	Bank Of Scotland	950,000	0.500	14-Feb-11	-950,000	-364.38	AA-	F1+
17-Jan-11	223	HSBC	65,000	0.310	18-Jan-11	-65,000	-0.55	AA	F1+
18-Jan-11	224	HSBC	70,000	0.310	19-Jan-11	-70,000	-0.59	AA	F1+
19-Jan-11	225	Skipton BS	200,000	0.450	31-Jan-11	0	-29.59	A-	F2
31-Jan-11	225	Skipton BS	Rolled over	0.450	21-Feb-11	-200,000	-51.78	A-	F2
19-Jan-11	226	HSBC	60,000	0.310	20-Jan-11	-60,000	-0.51	AA	F1+
20-Jan-11	227	Skipton BS	200,000	0.450	07-Feb-11	0	-44.38	A-	F2
7-Feb-11	227	Skipton BS	Rolled over	0.550	17-Mar-11	-200,000	-114.52	A-	F2
21-Jan-11	228	HSBC	50,000	0.310	24-Jan-11	-50,000	-1.27	AA	F1+
24-Jan-11	229	HSBC	160,000	0.310	18-Feb-11	-160,000	-33.97	AA	F1+
26-Jan-11	230	HSBC	70,000	0.310	27-Jan-11	-70,000	-0.59	AA	F1+
27-Jan-11	231	HSBC	130,000	0.310	22-Feb-11	-130,000	-28.71	AA	F1+
28-Jan-11	232	Skipton BS	200,000	0.480	28-Feb-11	0	-81.53	A-	F2
28-Feb-11	232	Skipton BS	Rolled over	0.450	21-Mar-11	-200,000	-51.78	A-	F2
28-Jan-11	233	Skipton BS	200,000	0.490	03-Mar-11	0	-91.29	A-	F2
3-Mar-11	233	Skipton BS	Rolled over	0.370	07-Mar-11	0	-8.11	A-	F2
7-Mar-11	233	Skipton BS	Rolled over	0.450	22-Mar-11	-200,000	-36.99	A-	F2
28-Jan-11	234	Skipton BS	200,000	0.500	07-Mar-11	-200,000	-104.11	A-	F2
			4,105,000			-4,105,000	-1,393.24		
Feb									
31-Jan-11	235	Nationwide Bs	1,500,000	0.510	17-Mar-11	-1,500,000	-943.15	AA-	F1+
31-Jan-11	236	Bank of Scotland	500,000	0.450	25-Feb-11	-500,000	-154.11	AA-	F1+
31-Jan-11	237	HSBC	300,000	0.310	01-Feb-11	-300,000	-2.55	AA	F1+
1-Feb-11	238	HSBC	250,000	0.310	02-Feb-11	-250,000	-2.12	AA	F1+
2-Feb-11	239	HSBC	180,000	0.310	03-Feb-11	-180,000	-1.53	AA	F1+
3-Feb-11	240	HSBC	190,000	0.310	03-Feb-11	-190,000	-1.61	AA	F1+
4-Feb-11	241	HSBC	80,000	0.310	07-Feb-11	-80,000	-2.04	AA	F1+
4-Feb-11	242	Skipton BS	150,000	0.510	14-Feb-11	0	-79.64	A-	F2

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
14-Feb-02	242	Skipton BS	Rolled over	0.450	22-Mar-11	-150,000	-14.79	A-	F2
8-Feb-11	243	HSBC	60,000	0.310	09-Feb-11	-60,000	-0.51	AA	F1+
9-Feb-11	244	HSBC	110,000	0.310	10-Feb-11	-110,000	-0.93	AA	F1+
10-Feb-11	245	HSBC	150,000	0.310	11-Feb-11	-150,000	-1.27	AA	F1+
11-Feb-11	246	HSBC	165,000	0.310	14-Feb-11	-165,000	-4.20	AA	F1+
14-Feb-11	247	HSBC	130,000	0.310	15-Feb-11	-130,000	-1.10	AA	F1+
15-Feb-11	248	Bank of Scotland	500,000	0.530	17-Mar-11	-500,000	-217.81	AA-	F1+
15-Feb-11	249	HSBC	70,000	0.310	16-Feb-11	-70,000	-0.59	AA	F1+
16-Feb-11	250	HSBC	80,000	0.310	17-Feb-11	-80,000	-0.68	AA	F1+
17-Feb-11	251	HSBC	140,000	0.310	18-Feb-11	-140,000	-1.19	AA	F1+
21-Feb-11	252	Bank of Scotland	300,000	0.530	17-Mar-11	-300,000	-117.62	AA-	F1+
21-Feb-11	253	HSBC	90,000	0.310	22-Feb-11	-90,000	-0.76	AA	F1+
22-Feb-11	254	HSBC	100,000	0.310	18-Mar-11	-100,000	-20.38	AA	F1+
23-Feb-11	255	HSBC	60,000	0.310	24-Feb-11	-60,000	-0.51	AA	F1+
24-Feb-11	256	HSBC	130,000	0.310	17-Mar-11	-130,000	-23.19	AA	F1+
25-Feb-11	257	HSBC	540,000	0.310	28-Feb-11	-540,000	-13.76	AA	F1+
			5,775,000			-5,775,000	-1,606.04		
Mar									
28/02/2011	258	HSBC	240,000	0.310	01-Mar-11	-240,000	-2.04	AA	F1+
01/03/2011	259	HSBC	230,000	0.310	02-Mar-11	-230,000	-1.95	AA	F1+
02/03/2011	260	HSBC	200,000	0.310	03-Mar-11	-200,000	-1.70	AA	F1+
04/03/2011	261	HSBC	47,000	0.310	07-Mar-11	-47,000	-1.20	AA	F1+
07/03/2011	262	HSBC	225,000	0.310	08-Mar-11	-225,000	-1.91	AA	F1+
08/03/2011	263	HSBC	150,000	0.310	14-Mar-11	-150,000	-7.64	AA	F1+
08/03/2011	264	HSBC	80,000	0.310	09-Mar-11	-80,000	-0.68	AA	F1+
09/03/2011	265	HSBC	85,000	0.310	10-Mar-11	-85,000	-0.72	AA	F1+
10/03/2011	266	HSBC	95,000	0.310	11-Mar-11	-95,000	-0.81	AA	F1+
11/03/2011	267	HSBC	100,000	0.310	14-Mar-11	-100,000	-2.55	AA	F1+
14/03/2011	268	HSBC	70,000	0.310	15-Mar-11	-70,000	-0.59	AA	F1+
15/03/2011	269	HSBC	50,000	0.310	16-Mar-11	-50,000	-0.42	AA	F1+

Date Invested	Temp Investment Number	Borrower	Amount Invested £	Interest Rate %	Date Repaid	Principal Repaid £	Interest Received /Due £	Fitch Ratings At Time of Investment	
								Long-Term	Short-Term
15/03/2011	270	Skipton BS	450,000	0.450	28-Mar-11	-450,000	-72.12	A-	F2
16/03/2011	271	HSBC	55,000	0.310	17-Mar-11	-55,000	-0.47	AA	F1+
17/03/2011	272	HSBC	60,000	0.310	18-Mar-11	-60,000	-0.51	AA	F1+
18/03/2011	273	HSBC	140,000	0.310	21-Mar-11	-140,000	-3.57	AA	F1+
21/03/2011	274	HSBC	170,000	0.310	28-Mar-11	-170,000	-10.11	AA	F1+
22/03/2011	275	HSBC	55,000	0.310	23-Mar-11	-55,000	-0.47	AA	F1+
23/03/2011	276	HSBC	95,000	0.310	24-Mar-11	-95,000	-0.81	AA	F1+
24/03/2011	277	HSBC	90,000	0.310	25-Mar-11	-90,000	-0.76	AA	F1+
25/03/2011	278	HSBC	130,000	0.310	28-Mar-11	-130,000	-3.31	AA	F1+
28/03/2011	279	HSBC	175,000	0.310	29-Mar-11	-175,000	-1.49	AA	F1+
28/03/2011	280	HSBC	200,000	0.310	31-Mar-11	-200,000	-5.10	AA	F1+
29/03/2011	281	HSBC	170,000	0.310	30-Mar-11	-170,000	-1.44	AA	F1+
30/03/2011	282	HSBC	160,000	0.310	31-Mar-11	-160,000	-1.36	AA	F1+
31/03/2011	283	HSBC	80,000	0.310	Outstanding		-0.68	AA	F1+
31/03/2011	284	HSBC	200,000	0.310	Outstanding		-1.70	AA	F1+
			3,802,000			-3,522,000	-126.11		
Total Investments made April 2010 to March 2011			64,467,000			-64,187,000	-15,627.35		
INVESTMENTS OUTSTANDING @ 31 March 2011									
31/03/2011	283	HSBC	80,000	0.310					
31/03/2011	284	HSBC	200,000	0.310					
Monies invested at 31 March 2011			280,000						

Fitch Rating Definitions

International Long-Term Credit Ratings

Long-term credit rating can be used as a benchmark measure of probability of default.

AAA	Highest credit quality. 'AAA' denotes the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
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International Long-Term Credit Ratings

AA	Very high credit quality. 'AA' ratings denote expectation of low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
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A	High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than in the case for higher ratings.
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International Short-Term Credit ratings

Short-term rating has a time horizon of less than 13 months for most obligations and thus places greater emphasis on the liquidity necessary to meet financial commitments

F1	Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
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F2	Good credit quality. A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.
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F3	Fair credit quality. The capacity for timely payment of financial commitments is adequate; however, near term adverse changes could result in a reduction to non-investment grade.
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