

INVESTMENT INTEREST EARNED TO 30 September 2011

Icelandic investments	No	Start	End	Rate %	Principal £	Carrying value	Cumulative Interest* £
Deposited 2007/08							
Landsbanki Islands	004	31-Mar-08	22-Apr-09	6.25	1,000,000	588,718	18,448
Glitnir	FI02/023	31-Mar-08	22-Apr-09	5.76	3,000,000	1,976,474	57,029
Deposited 2008/09							
Kaupthing, Singer & Friedlander	06/07-129	16-May-08	07-Oct-08	6.00	840,000	452,867	13,623
Sub total					<u>4,840,000.00</u>		<u>89,100</u>
Budgeted income (£100K pro rated)							50,137

Other Investments	opening	Min	Max	closing	Indicative rate	Cumulative Interest £
Call: Santander	5,550,000	1,500,000	6,000,000	2,470,000	0.75%	17,977
Call: Yorkshire bank	3,000,000	0	3,000,000	460,000	0.50%	1,501
Call: RBS	3,000,000	1,700,000	3,000,000	2,700,000	0.70%	8,931
Call: Lancashire County Council	0	0	0	0	0.70%	0
DMADF	0	0	0	0	0.25%	0
Government Liquidity MMF	6,000,000	2,000,000	6,000,000	2,980,000	0.39%	6,957
Liquidity First MMF.	6,000,000	6,000,000	6,000,000	6,000,000	0.65%	18,917
Sub-total	<u>23,550,000</u>			<u>14,610,000</u>		<u>54,283</u>
Budgeted income (£105K pro rated)						52,844

TOTAL Interest	143,383
Variance (+ive = favourable)	40,402

* Under 2009 accounting guidance, which is quite complex, interest continues to be accrued whilst Icelandic investments are on the Council's balance sheet. To counter this, however, the provisions made to cover any losses take account of such accrued interest, as well as the principal sums (i.e. the £6M) invested.

As at the end of Qtr 1 2011/12 £1,160K of principal had been repaid by KSF, representing 58% of the original deposit.