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Steve Atkinson MA(Oxon) MBA FIoD FRSA
Chief Executive

Date: 20 April 2012



Hinckley & Bosworth
Borough Council

A Borough to be proud of

**To: Members of the Finance, Audit & Performance
Committee**

Mr PAS Hall (Chairman)
Miss DM Taylor (Vice-Chairman)
Mrs R Camamile
Mr DM Gould

Mr MS Hulbert
Mr JS Moore
Mr K Morrell

Copy to all other Members of the Council

(other recipients for information)

Dear Councillor,

There will be a meeting of the **FINANCE, AUDIT & PERFORMANCE COMMITTEE** in the Council Chamber, Council Offices, Argents Mead on **MONDAY, 30 APRIL 2012 at 6.30 pm** and your attendance is required.

The agenda for the meeting is set out overleaf.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Denise Bonser'.

Denise Bonser
Democratic Services Officer

A G E N D A

1. **APOLOGIES AND SUBSTITUTIONS**

2. **DECLARATIONS OF INTEREST**

To receive verbally from members any disclosures which they are required to make in accordance with the Council's code of conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. **This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the Agenda.**

3. **MINUTES OF PREVIOUS MEETING** (Pages 1 - 2)

To confirm the minutes of the meeting of the Finance Audit & Performance Committee held on 26 March 2012 attached.

4. **COMMERCIAL ESTATES REVIEW UPDATE** (Pages 3 - 6)

Report of Deputy Chief Executive (Corporate Direction) attached.

5. **TREASURY MANAGEMENT ACTIVITIES 9 MONTHS TO 31 DECEMBER 2011** (Pages 7 - 14)

Report of Deputy Chief Executive (Corporate Direction) attached.

Agenda Item 3

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE, AUDIT & PERFORMANCE COMMITTEE

26 MARCH 2012 AT 7.00 PM

PRESENT: Mr PAS Hall - Chairman
Miss DM Taylor – Vice-Chairman

Mrs R Camamile, Mr JS Moore, Mr JG Bannister, Mr PR Batty and Mrs L Hodgkins

Also in attendance: Rob Barnett and Colin Roxburgh (RSM Tenon)

Officers in attendance: David Bunker, Shaun Curtis, Julie Kenny, Sanjiv Kohli and Louisa Horton and Clive Taylor

440 APOLOGIES AND SUBSTITUTIONS

Apologies were submitted on behalf of Councillors Gould, Hulbert and Morrell with the following substitutions authorised in accordance with Council Procedure Rule 4.1:

Mr Bannister for Mr Gould
Mrs Hodgkins for Mr Hulbert
Mr Batty for Mr Morrell

441 DECLARATIONS OF INTEREST

No interests were declared at this stage.

442 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 30 January 2012 be agreed and signed by the Chairman.

443 INTERNAL AUDIT ANNUAL REPORT 2011/12

Rob Barnett of RSM Tenon presented the Annual Report to Members. It was explained that the report was a summary of the progress reports presented to Committee during the last financial year.

444 INTERNAL AUDIT PROGRESS REPORT

The Committee received the internal audit progress report presented by RSM Tenon. Recommendations were made in three areas.

Revenues and Benefits Partnership

An intensive audit was undertaken of the Revenues and Benefits Partnership. All of the recommendations have been included in the Service Improvement Plan for the Partnership. It was agreed that a structure chart and a copy of the Plan be made available to the Committee.

Data Protection Compliance

It was reported that subcontractors are now complying with the Act.

Sheltered Accommodation (Tenants' Funds)

Guidelines and training will be given to tenants to help them manage their funds effectively and transparently.

The Deputy Chief Executive (Corporate Direction) gave his thanks to RSM Tenon for their help and support during their contract with the Council. The Chairman echoed these remarks.

445 PERFORMANCE MANAGEMENT FRAMEWORK

Members were provided with the Council's third quarter position on Performance Indicators, Service Improvement Plans and Corporate Risks.

Mr Batty queried as to the Council's liability relating to maintenance agreements and the Deputy Chief Executive (Corporate Direction) agreed to check into this and report back.

446 COMMERCIAL ESTATES REVIEW UPDATE

Members were provided with an update on performance of the Council's commercial estates. It was reported that overall occupancy was at 91% and at the Atkins and Greenfield sites there is significant interest for the uptake of units.

Mr Batty asked for a breakdown of usage of the sites between storage and manufacturing. It was agreed that this be brought to the next meeting along with the rental income and debt collection figures.

447 SUNDRY DEBTS POSITION

Members were informed of the sundry debts performance. It was reported that write offs are only undertaken when all avenues have been exhausted. A member asked as to the potential of interest being added to debts and it was stated that this was being looked into. A breakdown of the debts would be shown on the next report.

448 OUTTURN THIRD QUARTER 2011/12

Members were informed of the revenue and capital outturn at the end of the third quarter 2011/12.

449 AUDIT RECOMMENDATION TRACKING

The Committee were informed of the progress in implementing 2011/12 audit recommendations.

450 WORK PROGRAMME 2011/12

Members had no comments on the current work programme.

The Chairman, along with the Committee, expressed their thanks to the Accountancy Manager for all his involvement with the Committee and gave their good wishes for a happy retirement.

(The Meeting closed at 9.05 pm)

CHAIRMAN

FINANCE, AUDIT and PERFORMANCE 30 APRIL 2012

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)

RE: COMMERCIAL ESTATES REVIEW UPDATE



Hinckley & Bosworth
Borough Council

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1. PURPOSE OF REPORT

To provide an update on the level of debt within the Commercial Estate and information on the different sectors that are occupying units.

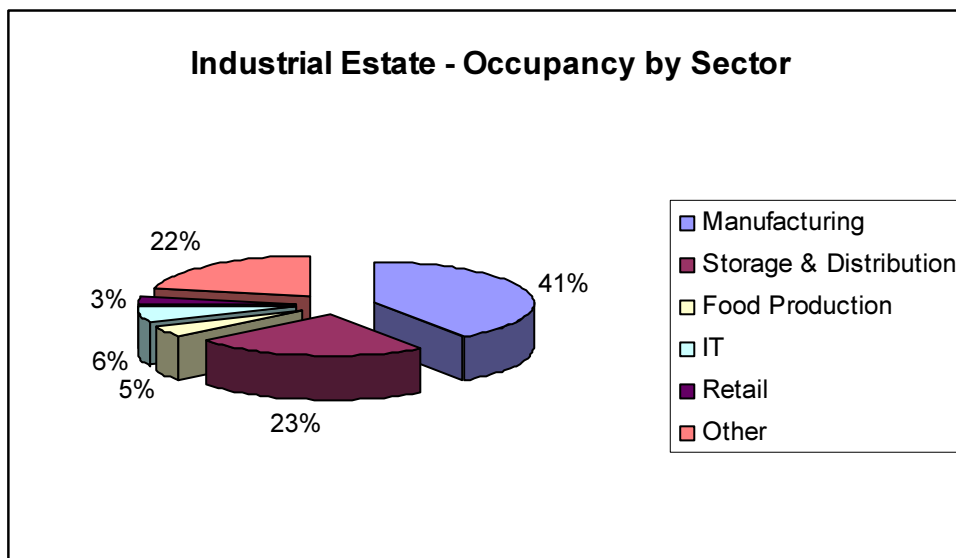
2. RECOMMENDATION

That the report is noted.

3. BACKGROUND TO THE REPORT

The Commercial Estate Review Report has been produced to update The Finance, Audit and Performance Committee on the level of debt from the portfolio and information on the types of businesses occupying the units. This report was requested following the Commercial Estates Review Update delivered on 26/03/2012.

Types of Business



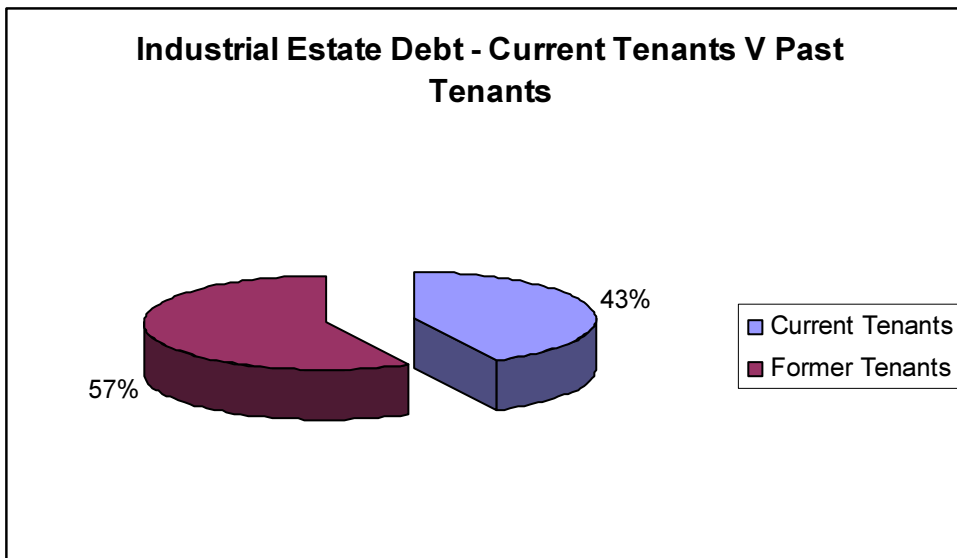
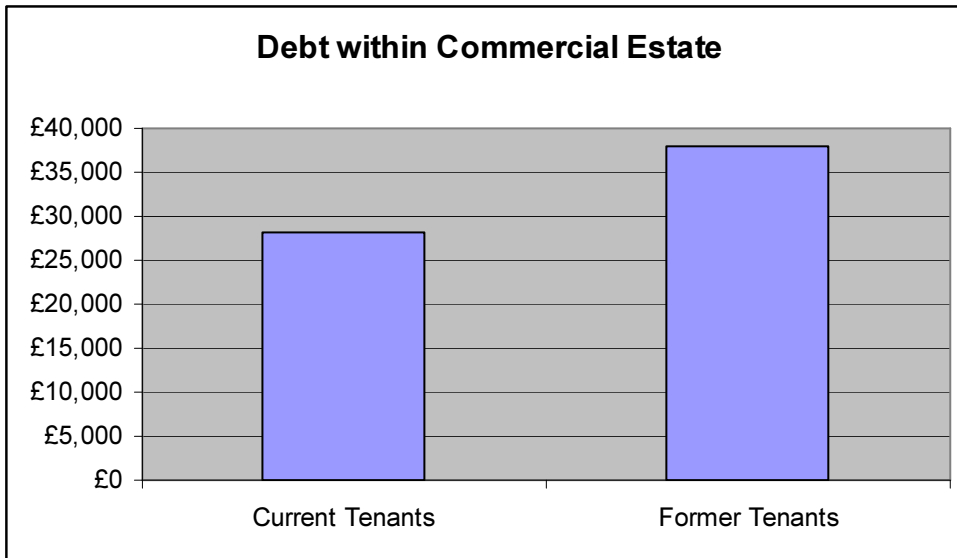
From the above chart, it can be evidenced that the manufacturing sector has the highest occupancy rate within the estate, with a figure of 41%. This is particularly noticeable at Sketchley Meadows, Merrylees and Hinckley Business Park, where a manufacturing base is established.

Greenfields has attracted a more varied tenant base with sectors such as IT, Renewables and Signage/Advertising being more prevalent.

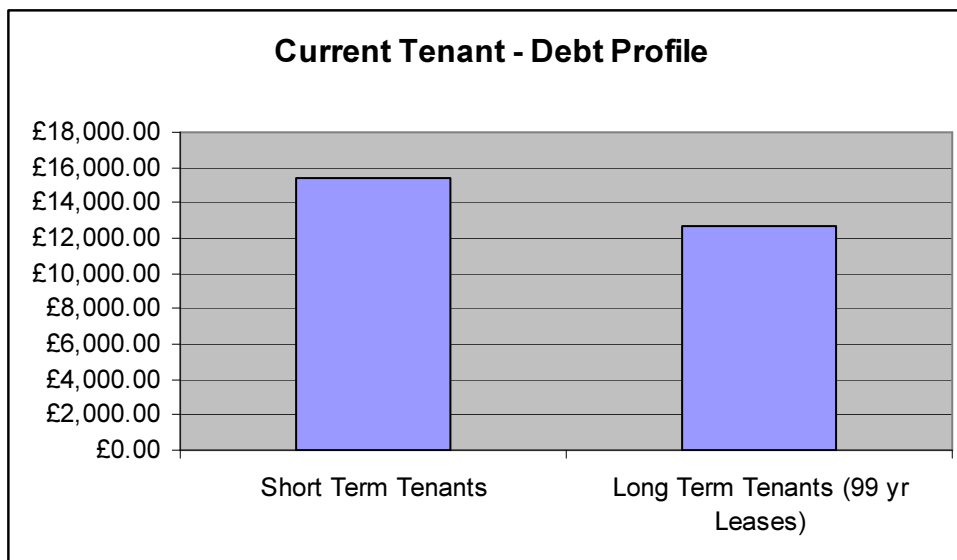
Debt Levels

The debt within the Commercial Estate is currently split between current tenants and former tenants.

Current tenant debt stands at £28,071 whilst former tenant debt is £37,965. Combined together, this represents 7% of the total rent roll, with current tenants equating too 3%.



The current tenant debt can be split between 2 separate profiles, those being short term tenants (those on standard 3 year leases) and long term tenants (99 year ground leases). Debt on the short term leases equates too £15,406, whilst on the longer term leases this figure is £12,665.



Repayment plans are in place for tenants on the debtor list, whilst one of the long leasehold tenants is currently in the process of organising a sale of their unit to repay the arrears.

4. **FINANCIAL IMPLICATIONS (IB)**

There are no implications arising directly from this report.

However members should note that after all debt recovery options have been explored, if a debt write off was approved this would be charged to the general fund therefore have an impact on general fund balances.

5. **LEGAL IMPLICATIONS (AB)**

As the report is for noting only there are no direct legal implications. It should be noted that is payment of outstanding rent is received after eviction proceedings are begun the proceedings will need to be stayed.

6. **CORPORATE PLAN IMPLICATIONS**

Nothing arising directly from this report.

7. **CONSULTATION**

No groups have been consulted in formulating this report.

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant Risks		
Risk Description	Mitigating actions	Owner
Prolonged growth within the UK economy fails to materialise, leading to further growth in debts	Following an audit by RSM Tenon on the Commercial Estate, a debt procedure plan has been put in place with the end result being that if no rental payments are received at the end of 4 months then eviction follows. Before this the debt is chased proactively to find out the reasons for arrears and repayment plans put in place where necessary.	SC

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

Ensuring services are accessible to all

The Councils commercial property is available throughout the Borough and is marketed by various mediums (from To Let boards through to web based materials) allowing access to the groups that require them.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Contact Officer: Shaun Curtis Ext 5742
 Executive Member: Cllr Keith Lynch

FINANCE, AUDIT & PERFORMANCE COMMITTEE – 30 APRIL 2012



Hinckley & Bosworth
Borough Council

A Borough to be proud of

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)
RE: TREASURY MANAGEMENT ACTIVITY 9 MONTHS TO 31 DECEMBER 2011

1. **PURPOSE OF REPORT**

To inform the Select Committee of the Council's Treasury Management activity during the first nine months of 2011/12.

2. **RECOMMENDATION**

That the Select Committee note the report

3. **BACKGROUND TO THE REPORT**

At its meeting in August 2011 the Council approved the Council's Treasury Management Policy for the year 2011/12 and delegated the oversight of the execution of the Policy to the Select Committee.

This report sets out the Treasury Management activities for the first nine months of 2011/12 and shows that they are in line with the limits set out in the Policy.

Treasury Management covers two main areas:-

1. The management of day to day cash flows by way of short term investing and borrowing. Longer term investment opportunities may arise depending on cash flow requirements.

2. Management of the Council's Long term debt portfolio which is used to finance capital expenditure that cannot be immediately funded by internal resources (e.g. by Capital Receipts)

Economic Background

The nine months of financial year 2011/12 has seen a continuation of the longest period of consistently low interest rates.. The UK Base Rate has now been at 0.5% for over 3 years. This together with continuing uncertainty in the money markets, including the financial stability of banks and other institutions and the Sovereign debt crisis in parts of the EU has had an impact on Treasury operations.

Whilst it is generally accepted that the next move in interest rates will be upwards there is no real consensus in the market as to when that movement will take place.

Given the current economic situation, growth levels in the UK, low worldwide economic growth, and the Chancellor's austerity measures, it appears unlikely that the Base Rate will show any appreciable increase until at least the second half of 2013.

This particularly impacts on the availability and choice of investment counterparties. These have become more restricted in recent years in terms of numbers of parties available, the amount that can be invested with a single counterparty and the length of time an investment can be made.

In the present climate it is considered to be imprudent to invest for an extended period of time for the following reasons:

1. Interest rates may increase and therefore it would be unwise to lock the investment in for too long, so that it is not possible to take advantage of increasing rates when they occur.
2. In a volatile market the financial strength of a counterparty can change at fairly short notice and therefore to invest for shorter periods reduces the Council's risk exposure.

To invest with better quality counterparties for shorter periods does reduce the Council's exposure to risk and uncertainty but does mean that investment yields are reduced.

Investment Activity

The Council's investment criteria are

- **Banks 1 - Good Credit Quality** – the Council will only use banks which:
 - i. Are UK banks; and/or
 - ii. Are non-UK and domiciled in a country which has a minimum Sovereign long term rating of AAAAnd have, as a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):
 - i. **Short Term** – F1
 - ii. **Long Term** – A
 - iii. **Individual / Financial Strength** – C (Fitch / Moody's only)
 - iv. **Support** – 3 (Fitch only)
- **Banks 2 – Guaranteed Banks with suitable Sovereign Support** – In addition, the Council will use banks whose ratings fall below the criteria specified above if all of the following conditions are met:

- (a) wholesale deposits in the bank are covered by a government guarantee;
- (b) the government providing the guarantee is rated “AAA” by all three major rating agencies (Fitch, Moody’s and Standard & Poors); and
- (c) the Council’s investments with the bank are limited to amounts and maturities within the terms of the stipulated guarantee.
- **Banks 3 – Eligible Institutions** - the organisation is an Eligible Institution for the HM Treasury Credit Guarantee Scheme initially announced on 13 October 2008, with the necessary short and long term ratings required in Banks 1 above. These institutions have been subject to suitability checks before inclusion, and have access to HM Treasury liquidity if needed.
- **Banks 4** – The Council’s own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time.
- **Bank Subsidiary and Treasury Operations** – the Council will use these where the parent bank has the necessary ratings outlined above.
- **Building Societies** – the Council will use all Societies which:
 - i. meet the ratings for banks outlined above
 - Or are both:
 - ii. Eligible Institutions; and
 - iii. Have assets in excess of £500m.
- **Money Market Funds** – AAA
- **UK Government** (including gilts and the DMADF)
- **Local Authorities, Parish Councils etc**
- **Supranational institutions**

Funds for investment come from the following Sources

- a) Revenue Account Balances held by the Council
- b) Earmarked Reserves and Provisions
- c) Unapplied Capital Receipts
- d) Cash flow balances – income received before expenditure needs to be incurred

At 31 Dec 2011 the Council held the following investments totalling £10,350,000

Counterparty	Investment Date	Maturity Date	Amount	Interest Rate
Newcastle Building Society	03/11/2011	01/02/2012	500,000	1.0000
West Bromwich Building Society	20/07/2011	08/02/2012	600,000	1.2000
Newcastle Building Society	15/11/2011	13/02/2012	800,000	0.9500
Nationwide Building Society	29/12/2011	04/01/2012	1,100,000	0.4000
Principality Building Society	28/10/2011	31/01/2012	1,650,000	0.9600

Skipton Building Society	01/12/2011	08/02/2012	1,700,000	0.6500
Hinckley & Rugby Building Society	25/08/2011	23/05/2012	2,000,000	1.5000
Coventry Building Society	01/12/2011	08/02/2012	2,000,000	0.8000

Details of all investments held from April 2011 to 31 December 2011 are included in Appendix A attached.

Details of the weighted average investment returns for each month and the quarter as a whole are shown in the table below together with the average overnight, 7 day and 3 month London Inter Bank Offer Rates (LIBOR) as a benchmark to the rates received by the Council.

Period	Weighted Average invested	Average period (days)	Average Return	Overnight LIBOR	7 Day LIBOR	3 Month LIBOR
April to Dec	7,175,690	18.68	1.072	0.57611	0.6043	0.9018

The figures above show that the Council received a rate of return that is compatible with the returns available in the market.

It also shows that the Weighted average life is within the maximum set of 0.5 years

Borrowing Activities

Long term borrowing to finance Capital Expenditure

Excluding the HRA self financing element the Council has a Capital Financing Requirement of around £14m which arises from previous decisions to incur Capital Expenditure that was not financed immediately by internal resources e.g. Capital Receipts or Grants giving rise to the need to borrow to finance the expenditure. This borrowing requirement can either be met by long or short term external borrowing or by internal borrowing i.e. using the cash behind the authority's balances and reserves and foregoing investment income. At the present time the interest payable on long term borrowing is significantly greater than the returns the Council could expect on its investments and therefore the Council has adopted a policy of being "underborrowed" with only £4.3m of long term loans on its books. Short term loans from the PWLB currently cost 1.5% so if the Council was fully funded with short term money and was receiving investment income of 1% there would be a cost of £50,000 pa. With longer term rates at about 4.5% the cost would be £350,000pa. In these circumstances the Council has not undertaken any long term borrowing in the current year and has relied on short term borrowing to meet cash flow needs.

Additionally , as part of the Self Financing HRA Settlement £67.652m has been borrowed from PWLB. Repayment options have been discussed with members

and were presented to the Executive on 13th March 2012. Repayments for principal amounts for these loans will commence in 8 years time. The loan will be repaid in equal instalments of £2.9414m over 23 yrs.

Short term borrowing to cover cash flow shortfalls.

Some short term borrowing took place to cover temporary cash flow shortfalls. The movements are as follows

Amount outstanding at 1 April 2011	£5,500,000
Total Amount borrowed	£9,800,000
Total Amount repaid	£15,300,000
Amount outstanding at 31 Dec 2011	£0.00

The average amount borrowed was	£1,390,909
Average period of loans	6.2 Days
Number of occasions	11
Average rate of interest paid	0.5706%

All borrowing was conducted with the Operational Limit set by the Council.

4. **FINANCIAL IMPLICATIONS (IB)**

None arising directly from this report.

5. **LEGAL IMPLICATIONS (EP)**

There are no legal implications arising directly from this report.

6. **CORPORATE PLAN IMPLICATIONS**

This report supports the following Corporate Aims

- Thriving Economy

7. **CONSULTATION**

None

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this

decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Loss of investments due to failure of Counterparty	Ensure Counterparty is financially secure prior to lending by confining activity to institutions on a list of approved institutions based on credit ratings.	I Bham
	Ensure that lending is for appropriate periods and amounts as per Counterparty list	I Bham

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

Treasury management activities support all activities of the Borough Council and therefore impact on all areas of and communities within the Borough

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account: [if you require assistance in assessing these implications, please contact the person noted in parenthesis beside the item]

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector implications

Background papers: Investment and borrowing records

Contact Officer: Ilyas Bham, Group Accountant ext 5924

Executive Member: Cllr Keith Lynch

TEMPORARY INVESTMENTS HELD
APRIL TO DECEMBER 2011

DATE	BROKER	RATE %	NOTICE	AMOUNT £	BORROWER	DATE REPAID	LOAN NO	Bal
b/f	Direct	1.3600	25/08/11	2,000,000	Hinckley & Rugby	25/08/11	2131	
25/08/11	Direct	1.5000	23/05/12	2,000,000	Hinckley & Rugby		2131	2,000,000
b/f	Prebone	1.4000	28/10/11	1,650,000	Principality BS	28/10/11	2493	
28/10/11	Prebone	0.9600	31/01/12	1,650,000	Principality BS		2493	1,650,000
b/f	Sterling	1.5000	03/11/11	500,000	NewCastle BS	03/11/11	2555	
03/11/11	Sterling	1.0000	01/02/12	500,000	NewCastle BS		2555	500,000
b/f	Hsbc	0.2500	01/04/11	432,000	Hsbc Money Mkt	01/04/11	2662	
04/04/11	Hsbc	0.2500	05/04/11	374,000	Hsbc Money Mkt	05/04/11	2663	
11/04/11	Hsbc	0.2500	12/04/11	421,000	Hsbc Money Mkt	12/04/11	2664	
12/04/11	Hsbc	0.2500	13/04/11	329,000	Hsbc Money Mkt	13/04/11	2665	
13/04/11	Hsbc	0.2500	14/04/11	530,000	Hsbc Money Mkt	14/04/11	2666	
15/04/11	Sterling	0.4000	19/04/11	1,560,000	Skipton Bs	19/04/11	2667	
19/04/11	Hsbc	0.2500	21/04/11	861,000	Hsbc Money Mkt	21/04/11	2668	
27/04/11	Hsbc	0.2500	28/04/11	376,000	Hsbc Money Mkt	28/04/11	2669	
03/05/11	Hsbc	0.2500	04/05/11	382,000	Hsbc Money Mkt	04/05/11	2770	
04/05/11	Hsbc	0.2500	05/05/11	268,000	Hsbc Money Mkt	05/05/11	2771	
09/05/11	Sterling	0.4500	02/06/11	500,000	West Brom BS	02/06/11	2772	
11/05/11	Hsbc	0.2500	12/05/11	250,000	Hsbc Money Mkt	12/05/11	2773	
12/05/11	Hsbc	0.2500	16/05/11	370,000	Hsbc Money Mkt	16/05/11	2774	
16/05/11	Hsbc	0.2500	19/05/11	2,400,000	Hsbc Money Mkt	19/05/11	2775	
18/05/11	Hsbc	0.2500	19/05/11	303,000	Hsbc Money Mkt	19/05/11	2776	
19/05/11	Hsbc	0.2500	20/05/11	1,700,000	Hsbc Money Mkt	20/05/11	2777	
20/05/11	Hsbc	0.2500	23/05/11	950,000	Hsbc Money Mkt	23/05/11	2778	
23/05/11	Hsbc	0.2500	24/05/11	580,000	Hsbc Money Mkt	24/05/11	2779	
24/05/11	Hsbc	0.2500	25/05/11	301,000	Hsbc Money Mkt	25/05/11	2780	
31/05/11	Hsbc	0.2500	01/06/11	658,000	Hsbc Money Mkt	01/06/11	2781	
01/06/11	Hsbc	0.2500	02/06/11	4,500,000	Hsbc Money Mkt	02/06/11	2782	
02/06/11	Hsbc	0.2500	03/06/11	500,000	Hsbc Money Mkt	03/06/11	2783	
03/06/11	Hsbc	0.2500	07/06/11	350,000	Hsbc Money Mkt	07/06/11	2784	
07/06/11	Sterling	0.8600	23/09/11	600,000	Skipton BS	23/09/11	2785	
15/06/11	Sterling	0.3500	22/06/11	1,500,000	West Brom BS	22/06/11	2786	
15/06/11	Sterling	0.4000	24/06/11	1,000,000	NewCastle BS	24/06/11	2787	
15/06/11	Hsbc	0.2500	16/06/11	492,000	Hsbc Money Mkt	16/06/11	2788	
16/06/11	Hsbc	0.2500	17/06/11	637,000	Hsbc Money Mkt	17/06/11	2789	
20/06/11	Hsbc	0.2500	21/06/11	277,000	Hsbc Money Mkt	21/06/11	2790	
21/06/11	Hsbc	0.2500	22/06/11	346,000	Hsbc Money Mkt	22/06/11	2791	
23/06/11	Hsbc	0.2500	24/06/11	307,000	Hsbc Money Mkt	23/06/11	2792	
24/06/11	Sterling	0.4000	07/07/11	560,000	NewCastle BS	07/07/11	2793	
28/06/11	Hsbc	0.2500	29/06/11	406,000	Hsbc Money Mkt	29/06/11	2794	
29/06/11	Hsbc	0.2500	30/06/11	565,000	Hsbc Money Mkt	30/06/11	2795	
30/06/11	Sterling	0.4000	07/07/11	740,000	NewCastle BS	07/07/11	2796	
01/07/11	Sterling	0.4300	07/07/11	2,000,000	Skipton Bs	07/07/11	2797	
01/07/11	Sterling	0.3500	07/07/11	1,300,000	West Brom BS	07/07/11	2798	
01/07/11	Hsbc	0.2500	04/07/11	986,000	Hsbc Money Mkt	04/07/11	2799	
11/07/11	Hsbc	0.2500	12/07/11	277,000	Hsbc Money Mkt	12/07/11	2800	
15/07/11	Sterling	0.3000	19/07/11	1,700,000	West Brom BS	19/07/11	2801	
18/07/11	Hsbc	0.2500	19/07/11	270,000	Hsbc Money Mkt	19/07/11	2802	
19/07/11	Hsbc	0.2500	20/07/11	827,000	Hsbc Money Mkt	20/07/11	2803	
20/07/11	Sterling	1.2000	08/02/12	600,000	West Brom BS		2804	600,000
20/07/11	Hsbc	0.2500	22/07/11	313,000	Hsbc Money Mkt	22/07/11	2805	
22/07/11	Sterling	0.3000	25/07/11	1,056,000	West Brom BS	25/07/11	2806	
25/07/11	Hsbc	0.2500	26/07/11	556,000	Hsbc Money Mkt	26/07/11	2807	
26/07/11	Hsbc	0.2500	28/07/11	510,000	Hsbc Money Mkt	28/07/11	2808	
28/07/11	Martin	0.4300	11/08/11	1,400,000	Skipton Bs	11/08/11	2809	
01/08/11	Hsbc	0.2500	03/08/11	1,000,000	Hsbc Money Mkt	03/08/11	2810	
01/08/11	Sterling	0.4000	11/08/11	2,000,000	Nationwide BS	11/8/11	2811	
01/08/11	Sterling	0.4000	11/08/11	1,500,000	NewCastle BS	11/8/11	2812	
03/08/11	Hsbc	0.2500	04/08/11	390,000	Hsbc Money Mkt	4/8/11	2813	
04/08/11	Sterling	0.3000	09/08/11	750,000	West Brom BS	9/8/11	2814	
09/08/11	Sterling	0.7500	25/10/11	800,000	West Brom BS	25/10/11	2815	
11/08/11	Hsbc	0.2500	12/08/11	291,000	Hsbc Money Mkt	12/8/11	2816	
15/08/11	Sterling	0.4300	22/08/11	1,100,000	Skipton Bs	22/8/11	2817	

DATE	BROKER	RATE %	NOTICE	AMOUNT £	BORROWER	DATE REPAID	LOAN NO	Bal
15/08/11	Sterling	0.4000	22/08/11	1,100,000	NewCastle BS	22/8/11	2818	
22/08/11	Hsbc	0.2500	23/08/11	743,000	Hsbc Money Mkt	23/8/11	2819	
30/08/11	Hsbc	0.2500	31/08/11	580,000	Hsbc Money Mkt	31/8/11	2820	
31/08/11	Hsbc	0.2500	01/09/11	526,000	Hsbc Money Mkt	1/9/11	2821	
01/09/11	Sterling	0.5000	22/09/11	1,200,000	NewCastle BS	22/9/11	2822	
01/09/11	Sterling	0.4200	16/09/11	2,000,000	Nationwide BS	16/9/11	2823	
01/09/11	Sterling	0.3500	09/09/11	500,000	West Brom BS	9/9/11	2824	
01/09/11	Hsbc	0.2500	02/09/11	757,000	Hsbc Money Mkt	2/9/11	2825	
05/09/11	Hsbc	0.2500	06/09/11	403,000	Hsbc Money Mkt	5/9/11	2826	
06/09/11	Hsbc	0.2500	07/09/11	258,000	Hsbc Money Mkt	7/9/11	2827	
07/09/11	Hsbc	0.2500	08/09/11	370,000	Hsbc Money Mkt	8/9/11	2828	
08/09/11	Hsbc	0.2500	09/09/11	470,000	Hsbc Money Mkt	9/9/11	2829	
09/09/11	Hsbc	0.2500	12/09/11	292,000	Hsbc Money Mkt	12/9/11	2830	
12/09/11	Sterling	0.3000	16/09/11	500,000	West Brom BS	16/9/11	2831	
15/09/11	Sterling	0.4000	16/09/11	1,300,000	Coventry BS	16/9/11	2832	
15/09/11	Sterling	0.3000	16/09/11	1,400,000	Skipton Bs	16/9/11	2833	
16/09/11	Hsbc	0.2500	19/09/11	292,000	Hsbc Money Mkt	19/9/11	2834	
19/09/11	Hsbc	0.2500	20/09/11	386,000	Hsbc Money Mkt	20/9/11	2835	
20/09/11	Hsbc	0.2500	21/09/11	287,000	Hsbc Money Mkt	21/9/11	2836	
28/09/11	Hsbc	0.2500	29/09/11	525,000	Hsbc Money Mkt	29/9/11	2837	
29/09/11	Hsbc	0.2500	30/09/11	525,000	Hsbc Money Mkt	30/9/11	2838	
30/09/11	Hsbc	0.2500	03/10/11	376,000	Hsbc Money Mkt	3/10/11	2839	
03/10/11	Sterling	0.5000	21/10/11	1,500,000	NewCastle BS	21/10/11	2840	
03/10/11	Sterling	0.4500	21/10/11	2,000,000	Skipton Bs	21/10/11	2841	
03/10/11	Sterling	0.9000	29/12/11	600,000	West Brom BS	29/12/11	2842	
05/10/11	Hsbc	0.2500	07/10/11	511,000	Hsbc Money Mkt	7/10/11	2843	
10/10/11	Hsbc	0.2500	11/10/11	292,000	Hsbc Money Mkt	11/10/11	2844	
12/10/11	Hsbc	0.2500	13/10/11	291,000	Hsbc Money Mkt	13/10/11	2845	
14/10/11	Hsbc	0.2500	17/10/11	429,000	Hsbc Money Mkt	17/10/11	2846	
17/10/11	Sterling	0.4000	21/10/11	2,000,000	Coventry BS	21/10/11	2847	
17/10/11	Hsbc	0.2500	18/10/11	1,226,000	Hsbc Money Mkt	18/10/11	2848	
18/10/11	Hsbc	0.2500	19/10/11	1,051,000	Hsbc Money Mkt	19/10/11	2849	
28/10/11	Hsbc	0.2500	01/11/11	600,000	Hsbc Money Mkt	1/11/11	2850	
01/11/11	Sterling	0.4500	25/11/11	2,000,000	Coventry BS	25/11/11	2851	
01/11/11	Sterling	0.4500	25/11/11	2,000,000	Skipton Bs	25/11/11	2852	
01/11/11	Sterling	0.4500	25/11/11	500,000	NewCastle BS	25/11/11	2853	
01/11/11	Hsbc	0.2500	03/11/11	910,000	Hsbc Money Mkt	3/11/11	2854	
07/11/11	Hsbc	0.2500	08/11/11	255,000	Hsbc Money Mkt	8/11/11	2855	
08/11/11	Hsbc	0.2500	11/11/11	320,000	Hsbc Money Mkt	11/11/11	2856	
11/11/11	Hsbc	0.2500	15/11/11	394,000	Hsbc Money Mkt	15/11/11	2857	
15/11/11	Sterling	0.9500	13/02/12	800,000	NewCastle BS		2858	800,000
15/11/11	Sterling	0.4300	22/11/11	2,000,000	Nationwide BS	22/11/11	2859	
15/11/11	Hsbc	0.2500	18/11/11	313,000	Hsbc Money Mkt	18/11/11	2860	
18/11/11	Hsbc	0.2500	25/11/11	308,000	Hsbc Money Mkt	25/11/11	2861	
24/11/11	Hsbc	0.2500	25/11/11	277,000	Hsbc Money Mkt	25/11/11	2862	
01/12/11	Sterling	0.8000	08/02/12	2,000,000	Coventry BS		2863	2,000,000
01/12/11	Sterling	0.6500	08/02/12	1,700,000	Skipton Bs		2864	1,700,000
01/12/11	Hsbc	0.2500	02/12/11	410,000	Hsbc Money Mkt	2/12/11	2865	
12/12/11	Hsbc	0.2500	13/12/11	295,000	Hsbc Money Mkt	13/12/11	2866	
15/12/11	Sterling	0.4300	22/12/11	2,000,000	Nationwide BS	22/12/11	2867	
15/12/11	Sterling	0.3000	19/12/11	700,000	West Brom BS	19/12/11	2868	
22/12/11	Hsbc	0.2500	23/12/11	591,000	Hsbc Money Mkt	23/12/11	2869	
28/12/11	Hsbc	0.2500	29/12/11	941,000	Hsbc Money Mkt	29/12/11	2870	
29/12/11	Sterling	0.4000	04/01/12	1,100,000	Nationwide BS		2871	1,100,000
				99,355,000				10,350,000