

# Item 7



## Treasury Management Annual Report 2017/18

18th June 2018

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### 1 Purpose of report

The purpose of this report is to provide an Annual Treasury Report for the financial year 2017/18.

### 2 Summary

The Board has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector, and under the code, an Annual Report on Treasury Management must be submitted to the Board after the end of each financial year. The Treasury Strategy was presented to the Board and its continuance was approved in February 2018.

### 3 Investment Out-turn for 2017/18

3.1 The Board's Investment Strategy has been to maintain its bank account as part of the City of Edinburgh Council's group of bank accounts. Any cash balance is effectively lent to the Council, but is offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Board. Interest is given on month end net indebtedness balances between the Council and the Board and for financial year 2017/18 is calculated in accordance with the withdrawn Local Authority (Scotland) Accounts Advisory Committee's (LASAAC) Guidance Note 2 on Interest on Revenue Balances (IoRB). In line with recent short term interest rates, the investment return continues to be small, but the Board gains security from its counterparty exposure being to the City of Edinburgh Council. Net end of month balances for the financial year were:

Opening Balance	£1,511,661.61
30 April 2017	£1,320,103.20
31 May 2017	£1,370,576.24
30 June 2017	£1,343,554.35
31 July 2017	£1,304,653.15
31 August 2017	£1,347,604.93
30 September 2017	£1,242,816.91
31 October 2017	£1,153,923.98
30 November 2017	£1,555,191.76
31 December 2017	£1,554,751.03
31 January 2018	£1,708,645.09
28 February 2018	£1,749,189.52
31 March 2018	£1,747,314.50

3.2 Interest is calculated on the average monthly balance. The interest rate applied was 0.223%, giving an interest amount of £3,196.51, being payable to the board.

## **4 Recommendations**

4.1 It is recommended that the Board notes the Annual Report for 2017/18.

**HUGH DUNN,**  
Treasurer.

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**Appendix**

None

**Contact/tel**

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