

ANNUAL TREASURY REPORT 2016/17

1 Purpose of report

The purpose of this report is to provide an Annual Treasury Report for the financial year 2016/17.

2 Summary

The Partnership has adopted the CIPFA Code of Practice on Treasury Management in the Public Sector, and under the code, an Annual Report on Treasury Management has to be submitted to the Partnership after the end of each financial year.

3 Investment Out-turn 2016/17

3.1 The Partnership'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 Partnership. Interest is given on month end net indebtedness balances between the Council and the Partnership and for financial year 2016/17 is calculated in accordance with the recently withdrawn Local Authority (Scotland) Accounts Advisory Committee's (LASAAC) Guidance Note 2 on Interest on Revenue Balances (IoRB).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	-572,561.36
30 April 2016	353,248.41
31 May 2016	468,020.96
30 June 2016	443,635.10
31 July 2016	450,025.48
31 August 2016	448,405.34
30 September 2016	443,062.64
31 October 2016	450,977.53
30 November 2016	419,569.22
31 December 2016	489,618.78
31 January 2017	254,100.62
29 February 2017	262,208.45
31 March 2017	159,905.84

3.2 Interest is calculated from the average monthly balance over the opening balance and 11 months. The interest rate applied was 0.189%, giving an interest amount of £620.28 payable to the Partnership.

4 Recommendations

4.1 It is recommended that the Partnership notes the Annual Report for 2016/17.

HUGH DUNN
Treasurer

Appendix None

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