

Audit and Governance Committee

20 July 2023



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Title	Annual Treasury Management Review 2022/23
Purpose of the report	To note the report for information
Report status	Public report
Report author (name & job title)	Stuart Donnelly, Financial Planning & Strategy Manager
Lead Councillor (name & title)	Councillor Terry, Deputy Leader of the Council & Lead Councillor for Corporate Services and Resources
Corporate priority	Not applicable, but still requires a decision
Recommendations	1. That the Committee notes the content of the Treasury Management Outturn Report for 2022/23.

1. Executive Summary

- 1.1. The Council adopted a Treasury Management Strategy and an Annual Investment Strategy for 2022/23 at its meeting on 23rd February 2022.
- 1.2. The Treasury Management Strategy requires an Annual Outturn Report reviewing the Treasury Management activity which took place during the year. This report addresses that requirement covering the period from 1st April 2022 to 31st March 2023.
- 1.3. The Council has continued to finance capital expenditure through maximising the use of capital receipts, capital grants and internal borrowing. During 2022/23 the Council took out short-term loans (less than 1 year in duration) of £37.000 million (from other local authorities) at an average interest rate of 4.125% in line with the Borrowing Strategy set out within the Treasury Management Strategy. No long-term loans (over one year in duration) were taken out during the year.
- 1.4. Overall, the Council was under borrowed by £212.832 million as at 31st March 2023. As a consequence, the Council has effectively avoided the requirement to budget for and incur external interest costs in the order of £8.194 million during 2022/23, based on the average rate for the existing debt portfolio of 3.85%.
- 1.5. Against the 2022/23 General Fund budget there was an overall positive net variance of £3.508m on the Capital Financing budget as reported in the 2022/23 Quarter 4 Performance report to Policy Committee on 10th July 2023. This budget includes interest payable, interest receivable and Minimum Revenue Provision (MRP); a charge to the revenue budget made in respect of paying off the principal sum of the borrowing undertaken to finance the Capital Programme.
- 1.6. The Council did not breach any of its treasury management performance indicators during 2022/23.

2. Policy Context

- 2.1. The Council is required by regulations issued under the Local Government Act 2003 to review and report on its treasury management activity and achievement against its prudential and treasury indicators on an annual basis. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).
- 2.2. The regulatory environment places responsibility on Members for the review and scrutiny of the Council's Treasury Management Policy and activities. This report facilitates that process providing details of the Council's 2022/23 treasury management activity.
- 2.3. Member training on treasury management issues was offered to, and undertaken by, Audit & Governance Committee Members during the year on 28th June 2022 to support members' scrutiny role.

3. Capital Expenditure and Financing

- 3.1. The Council undertakes capital expenditure on long-term assets. This expenditure may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which have no impact on the Council's borrowing need; or
 - Financed by borrowing. This is funded either through actual external borrowing for example from the Public Works Loan Board (PWLB) or through internal borrowing from the Council's own cash resources.
- 3.2. Tables 1 & 2 below show the Council's actual capital expenditure and how this was financed.

Table 1. Capital Expenditure and Financing – General Fund

General Fund	2021/22 Actual*	2022/23 Original Estimate	2022/23 Actual
	(£m)	(£m)	(£m)
Capital Expenditure	48.621	92.073	59.107
Financed by:			
Capital Receipts	(2.348)	(2.126)	(1.268)
Government Grants & Other Contributions	(33.025)	(39.045)	(28.575)
Direct Revenue Financing	(2.122)	0.000	(3.035)
Net Borrowing Requirement	11.126	50.902	26.229

Table 2. Capital Expenditure and Financing – Housing Revenue Account (HRA)

HRA	2021/22 Actual*	2022/23 Original Estimate	2022/23 Actual
	(£m)	(£m)	(£m)
Capital Expenditure	22.041	35.442	28.403
Financed by:			
Capital Receipts	(1.941)	(0.915)	(1.180)
Government Grants & Other Contributions	(6.277)	(6.074)	(6.567)
Direct Revenue Financing	(0.384)	(0.600)	(0.574)

Major Repairs Reserve	(7.560)	(16.790)	(12.976)
Net Borrowing Requirement	5.879	11.063	7.106

- 2021/22 comparator figures have been updated following changes to the provisional 2021/22 Capital Programme outturn position

4. The Council's Borrowing Need

- 4.1. The Council's underlying need to borrow, or net borrowing requirement is termed the Capital Financing Requirement (CFR).
- 4.2. In order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2022/23) plus the estimate of any additional capital financing requirement for the current (2023/24) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. Table 3 below highlights the Council's gross borrowing position against the CFR for 2022/23. The Council has complied with this prudential indicator.
- 4.3. The Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need, (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
- 4.4. The total CFR can also be reduced by:
- the application of additional capital financing resources, (such as unapplied capital receipts); or
 - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).
- 4.5. The Council's 2022/23 MRP Policy, (as required by DLUHC Guidance), was approved as part of the Treasury Management Strategy Report for 2022/23 on 23rd February 2022.

Table 3. Gross Borrowing and the CFR

	31st March 2022 Actual (£m)	2022/23 Estimate (£m)	31st March 2023 Actual (£m)
Gross Borrowing	387.180	486.703	404.840
PFI Liabilities	24.261	23.146	23.147
Total Gross Borrowing	411.441	509.849	427.987
CFR – General Fund	399.989	463.003	415.936
CFR – HRA	194.677	207.825	201.736
Total CFR	594.666	670.828	617.672
(Under)/Over Funding of CFR	(182.225)	(160.979)	(189.685)
(Under)/Over Borrowing (exc PFI)	(207.486)	(184.125)	(212.832)

- 4.6. The movement in gross borrowing in 2022/23 is explained in paragraphs 5.3-5.5.
- 4.7. The 2022/23 prudential indicators for gross borrowing were set as part of the Treasury Management Strategy report to Council on 23rd February 2022. The Council's

performance against these indicators is set out below, neither the Authorised Limit nor the Operational Boundary were breached in 2022/23:

Table 4. Gross Borrowing v Operational Boundary and Authorised Limit

Authorised Limit (£m)	Operational Boundary (£m)	Maximum Gross Borrowing Position During the Year (£m)	Average Gross Borrowing Position (£m)
730.828	690.828	413.010	385.811

- 4.8. Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue budget. This indicator for 2022/23 for the General Fund and the HRA was set at 12.0%. The actual performance against this indicator for 2022/23 was 9.8% which reflects the reported positive net variance on the General Fund and HRA revenue Capital Financing budgets reported at Outturn.

5. Debt and Investment Portfolio

- 5.1. The Council's treasury management debt and investment position is managed by the Treasury Management Team to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting to Audit and Governance Committee and through officer activity detailed in the Council's Treasury Management Practices.

Outturn Position

- 5.2. At the end of 2022/23 the Council's treasury position (excluding borrowing by Public Finance Initiatives (PFIs) and finance leases) was as follows:

Table 5. Treasury Position as at 31st March

General Fund & HRA	31 st March 2022			31 st March 2023		
	Principal (£m)	Average Rate %	Average Life Remaining Years	Principal (£m)	Average Rate %	Average Life Remaining Years
Debt Portfolio						
Fixed Rate Loans						
PWLB	357.180	3.27	30	354.840	3.27	29
Market	30.000	4.18	48	20.000	4.14	49
Short Term Local Authority Loans	0.000	0.00	0	30.000	4.15	0
Total Debt	387.180	3.39	32	404.840	3.85	26
Treasury Investments	80.200	1.03		58.996	4.22	
Non-Treasury Investments	35.721	3.93		35.721	3.93	
Total Investments	115.921	3.18		94.717	3.98	
Net Debt	271.259			310.123		

Borrowing

- 5.3. During 2022/23 short-term loans totalling £37.000 million were arranged in February 2023, with £32.000 million of this drawn down in February 2023 and £5.000 million drawn

down in March 2023 to assist in managing the cashflow position. No long term loans were taken out during the year. The borrowing portfolio is detailed in full at Appendix 1.

- 5.4. During 2022/23 principal repayments totalling £19.340 million were made. This consists of principal repayments of £10.000 million on two Lender Option Borrower Option (LOBO) Loans, £2.340 million on other long term loans and £7.000 million on one of the short term loans drawn down in February 2023.
- 5.5. The net change in the gross borrowing position between 31st March 2022 and 31st March 2023 was therefore an increase of £17.660 million.

Borrowing in Advance of Need

- 5.6. The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

Debt Rescheduling

- 5.7. No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.
- 5.8. Whilst debt rescheduling has not taken place, the two LOBO loans repaid during 2022/23 were repaid early to benefit from savings on the Council's Capital Financing budgets over future years. At the current time no further long-term external loans have been taken to replace those repaid.
- 5.9. The maturity structure of the debt portfolio as at 31st March 2023 is set out in Tables 6 and 7 below. The limits are set to control the Council's exposure to refinancing risk.

Table 6. Maturity Structure of the Debt Portfolio (Fixed Interest rate debt)

General Fund	31st March 2022 Actual (£m)	2022/23 Original Upper Limit (%)	2022/23 Original Lower Limit (%)	31st March 2023 Actual (£m)	2022/23 Actual (%)
Under 12 months	2.340	10	0	32.340	8
12 months and within 2 years	2.340	20	0	2.000	0
2 years and within 5 years	17.500	20	0	17.000	4
5 years and within 10 years	19.000	30	0	18.500	5
10 years and within 20 years	44.000	40	0	43.000	11
20 years and within 30 years	89.000	50	0	99.000	24
30 years and within 40 years	118.000	60	0	108.000	27
Over 40 years	95.000	60	0	85.000	21
Total	387.180			404.840	100

Investments

- 5.10. The Council's Investment Policy is informed by the Department for Levelling Up, Housing and Communities (DLUHC) investment guidance, which was incorporated into the Annual Investment Strategy approved by the Council on 23rd February 2022. This Policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data.
- 5.11. The investment activity during the year conformed to the approved Strategy, and the Council had no liquidity difficulties.

- 5.12. Treasury investments, including property funds, earned an average rate of 2.53%. The comparable performance indicator is the 7 days backward looking Sterling Overnight Index Average (SONIA) un-compounded rate, which was 2.23%.
- 5.13. The Council's budgeted General Fund investment return for 2022/23 was £0.670 million; the actual General Fund interest received from investments in 2022/23 was £2.321 million, a £1.651 million positive variance compared to budget. This budget includes loans to the Council's wholly owned companies, which are non-treasury investments and are therefore shown separately throughout this report.
- 5.14. The position on interest income must be compared with external interest costs payable. The Council paid General Fund external interest costs of £7.655 million against a budget of £8.760 million; a £1.105 million positive variance against the General Fund budget. The net General Fund position on interest receivable/payable is therefore a net positive variance of £2.756 million. This has been accounted for in the overall revenue General Fund outturn position for 2022/23.
- 5.15. The Council's investment position as at 31st March 2023 is detailed at Appendix 2 and is summarised as follows:

Table 7. Investment Portfolio

	31st March 2022 (£m)	31st March 2022 (%)	31st March 2023 (£m)	31st March 2023 (%)
Treasury Investments				
Banks	12.748	16	0.842	2
Building Societies – rated	0.000	0	0.000	0
Building Societies - unrated	0.000	0	0.000	0
Local Authorities	0.000	0	0.000	0
DMADF (HM Treasury)	0.000	0	0.000	0
Fixed Term Deposits	15.000	19	0.000	0
Money Market Funds (MMF)	37.452	46	43.154	73
Total Managed In-house	65.200	81	43.996	75
Total Managed Externally – Property Funds	15.000	19	15.000	25
Total Treasury Investments	80.200	100	58.996	100
Non-Treasury Investments				
Subsidiaries/Companies	35.721	100	35.721	100
Total Non-Treasury Investments	35.721	100	35.721	100
Total – All Investments	115.921	100	94.717	100

- 5.16. The maturity structure of the investment portfolio as at 31st March was as follows:

Table 8. Maturity Structure of the Investment Portfolio

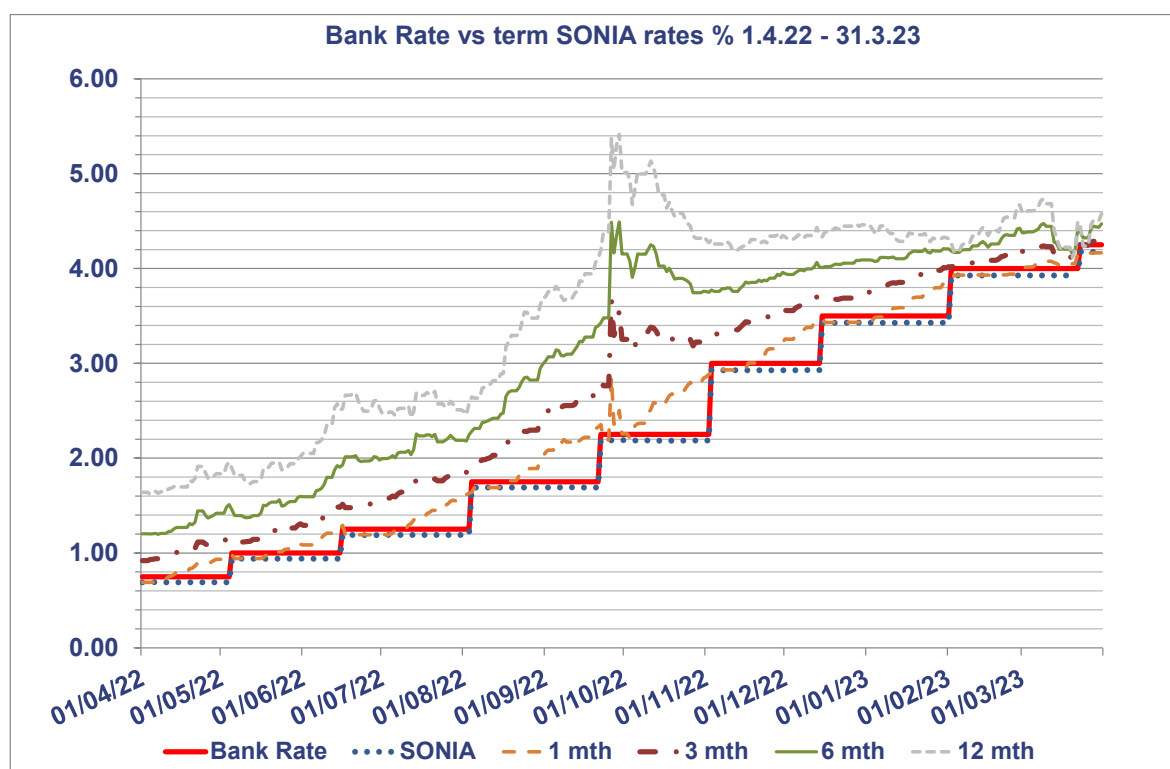
	31st March 2022 (£m)	31st March 2023 (£m)
Up to 1 year	82.100	43.996
Longer than 1 year	33.821	50.721
Total	115.921	94.717

6. Treasury Management Strategy 2022/23

Investment Strategy and Control of Interest Rate Risk

- 6.1. Investment returns picked up throughout the course of 2022/23 as central banks, including the Bank of England, increased interest rates primarily as a tool to attempt to control rising inflation.
- 6.2. Starting in April 2022 at 0.75%, Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 4.25% by the end of the financial year.
- 6.3. The incremental increases in investment rates meant that local authorities were faced with the challenge of pro-active investment of surplus cash for the first time in over a decade, and this emphasised the need for a detailed working knowledge of cashflow projections so that the appropriate balance between maintaining cash for liquidity purposes, and “laddering” deposits on a rolling basis to lock in the increase in investment rates as duration was extended, became an on-going feature of the investment landscape.
- 6.4. The Council did not add to its long-term investment portfolio in 2022/23, as the levels of surplus cash were relatively low in year due to its strategy of using cash funds to fund the Capital Programme ahead of external borrowing. Any surplus cash was invested on a short-term basis to ensure that it was accessible for in-year cash flow requirements and to ensure deposits were “laddered” to mitigate against the incremental increases in interest rates.
- 6.5. Investment balances have been kept to a minimum in accordance with the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the chart shown below.
- 6.6. The following graph illustrates the interest rate trend throughout 2022/23:

Chart 1. Bank Rate vs SONIA (Sterling Overnight Index Average) 2022/23



Borrowing Strategy and Control of Interest Rate Risk

- 6.7. As set out above, during 2022/23 the Council maintained an under-borrowed position, i.e. the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow were used on an interim basis. As set out above, this strategy was prudent as available investment returns were initially low and minimising counterparty risk on placing investments also needed to be considered.
- 6.8. A cost of carry generally remained in place during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns. As the cost of carry dissipated, the Council sought to avoid taking on long-term borrowing at elevated levels and has focused on a policy of internal and temporary borrowing, in line with the approved Borrowing Strategy .
- 6.9. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this has been kept under review by the Treasury Management Team and the Council's s151 Officer to ensure the Council's financial position in overall terms was protected.
- 6.10. Interest rate forecasts were initially suggesting only gradual rises in short, medium, and longer-term fixed borrowing rates during 2022/23 but by August it had become clear that inflation was moving up towards 40-year highs, and the Bank of England engaged in monetary policy tightening at every Monetary Policy Committee meeting during 2022, and into 2023, either by increasing Bank Rate by 0.25% or 0.5% each time. The CPI measure of inflation fell to 8.7% in April 2023 and remained unchanged for May 2023, compared to expectations of a fall to 8.4%.

7. Other

IFRS 9 Fair Value of Investments

- 7.1. In 2018 the Government introduced a statutory override following the adoption of International Financial Reporting Standard 9 (IFRS 9). The statutory override requires authorities to remove the impacts of the fair value movements of pooled investment funds, such as the CCLA Property Fund, from their budgets and record them in an unusable reserve. The statutory override was time-limited to five years and was due to end in March 2023. However, in August 2022 the Government issued a consultation document seeking views regarding the future of the statutory override and announced a further two year extension to 31st March 2025 in December 2022, with the full Government response published in April 2023. In 2022/23, the net unrealised loss relating to the CCLA Property Fund investment was £0.765m, however due to the statutory override there was no impact on the General Fund. Conversely, if there was no override in place then any positive movement in valuation would be a benefit to the General Fund.
- 7.2. Due to the risk of this override not being further extended beyond 31st March 2025, this investment, and options to mitigate against any potential losses will be reviewed as part of forthcoming Treasury Management Strategies.

8. Contribution to Strategic Aims

- 8.1. Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the [Council's website](#). These priorities and the Corporate Plan

demonstrate how the Council meets its legal obligation to be efficient, effective, and economical.

- 8.2. Delivery of the Council's budget is essential to ensuring the Council meets its strategic aims and remains financially sustainable going forward.

9. Environmental and Climate Implications

- 9.1. The Council's Treasury Management Strategy sets out that the Council will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the Council's Corporate Plan and values. This would include institutions with material links to:

- human rights abuse (e.g. child labour, political oppression);
- environmentally harmful activities (e.g. pollution, destruction of habitat, fossil fuels);
- socially harmful activities (e.g. tobacco, gambling).

- 9.2. As part of the review carried out in 2022/23 and approved as part of the Annual Investment Strategy for 2023/24, the Council will only invest in countries deemed as "Free" as per the Freedom House Global Freedom rating system.

- 9.3. The Council has provided loans totalling £1.7m to Reading Transport Limited to specifically fund improvements to their existing fleet of buses in respect of hybrid fuel conversions which produce lower emissions.

10. Community Engagement

- 10.1. Budget-related communications and consultations will continue to be a priority over the next three years as we work to identify savings.

11. Equality Implications

- 11.1. None have been identified as arising directly from this report.

12. Other Relevant Considerations

- 12.1. There are none.

13. Legal Implications

- 13.1. None have been identified as arising directly from this report.

14. Financial Implications

- 14.1. The financial implications are set out in the body of the report.

15. Timetable for Implementation

15.1. Not applicable.

16. Background Papers

16.1. There are none.

Appendices

- 1. Borrowing Portfolio**
- 2. Investment Portfolio**

Appendix 1: Borrowing Portfolio

Lender	Start Date	Maturity Date	Amount £m	Interest Rate	Annual Interest * £m
Public Works Loan Board (PWLB)					
PWLB	26/03/18	25/03/68	15.000	2.28%	0.3420
PWLB	27/09/18	25/09/43	15.000	2.82%	0.4230
PWLB	27/09/18	27/09/49	15.000	2.79%	0.4185
PWLB	11/03/19	11/03/66	15.000	2.38%	0.3570
PWLB	13/03/19	13/03/37	5.000	2.42%	0.1210
PWLB	13/03/19	13/03/57	5.000	2.42%	0.1210
PWLB	01/04/19	01/04/64	10.000	2.20%	0.2200
PWLB	01/10/19	02/10/62	5.000	1.64%	0.0820
PWLB	01/10/19	01/10/63	5.000	1.63%	0.0815
PWLB	07/10/19	07/10/66	5.000	1.63%	0.0815
PWLB	07/10/19	08/10/68	5.000	1.63%	0.0815
PWLB	11/03/20	25/09/69	15.000	2.07%	0.3105
PWLB	13/05/05	25/09/51	2.000	4.15%	0.0830
PWLB	11/01/06	25/09/55	5.000	3.90%	0.1950
PWLB	23/01/06	25/09/55	5.000	3.70%	0.1850
PWLB	23/05/06	25/09/47	2.000	4.20%	0.0840
PWLB	19/07/06	25/03/52	20.000	4.25%	0.8500
PWLB	20/09/06	25/09/51	5.000	4.20%	0.2100
PWLB	28/09/06	25/09/52	10.000	4.05%	0.4050
PWLB	08/03/07	25/03/53	10.000	4.25%	0.4250
PWLB	08/03/07	25/03/54	10.000	4.25%	0.4250
PWLB	05/08/08	25/03/58	2.000	4.48%	0.0896
PWLB	15/08/08	25/09/57	6.000	4.39%	0.2634
PWLB	02/12/08	25/09/58	10.000	4.12%	0.4120
PWLB	20/08/09	25/03/59	5.000	4.20%	0.2100
PWLB	19/08/10	25/03/24	0.340	2.70%	0.0092
PWLB	31/08/10	25/03/60	10.000	3.92%	0.3920
PWLB	14/07/11	25/03/26	1.500	3.59%	0.0539
PWLB	15/09/11	25/03/31	4.000	3.35%	0.1340
PWLB	28/03/12	25/03/51	12.000	3.53%	0.4236
PWLB	28/03/12	25/09/26	12.000	2.97%	0.3564
PWLB	28/03/12	25/03/50	15.000	3.53%	0.5295
PWLB	28/03/12	25/03/41	15.000	3.49%	0.5235
PWLB	28/03/12	25/03/61	15.000	3.48%	0.5220
PWLB	28/03/12	25/03/32	12.000	3.30%	0.3960
PWLB	28/03/12	25/09/41	15.000	3.49%	0.5235
PWLB	28/03/12	25/09/51	3.000	3.52%	0.1056
PWLB	28/03/12	25/03/62	15.000	3.48%	0.5220
PWLB	28/03/12	25/03/41	18.000	2.99%	0.5382
Total PWLB Loans			354.840		11.506

Lender	Start Date	Maturity Date	Amount £m	Interest Rate	Annual Interest * £m
Short Term Local Authority Loans					
London Borough of Croydon Pension Fund	28/02/23	28/04/23	10.000	4.05%	0.4050
Tamworth Borough Council	24/02/23	24/05/23	5.000	4.10%	0.2050
Oxfordshire County Council	14/02/23	14/08/23	5.000	4.25%	0.2125
Middlesbrough Teesside Pension Fund	15/02/23	18/04/23	5.000	4.05%	0.2025
Solihull Metropolitan Borough Council	17/03/23	18/09/23	5.000	4.30%	0.2150
Total Short Term Local Authority Loans			30.000		1.240
LOBO/Other Loans					
Barclays Bank plc	06/12/05	06/12/55	5.000	3.99%	0.1995
Bayerische Landesbank	20/09/07	20/12/77	5.000	4.18%	0.2090
Bayerische Landesbank	20/09/07	20/12/77	5.000	4.18%	0.2090
Dexia	30/01/08	31/01/78	5.000	4.19%	0.2095
Total LOBO/Other Loans			20.000		0.827
Total All Loans			404.840		13.573

*Annual interest – Total amount of annual interest payable per loan outstanding as at 31st March 2023. This won't equal the amount of interest paid during 2022/23 – as the total loan portfolio has changed during the year.

Appendix 2: Investment Portfolio

Borrower	Amount £m	Interest Rate	Credit Rating
Treasury Investments			
Lloyds current account	0.842	4.15%	A+
SLI Sterling Liquidity/CI 2	16.000	4.06%	AAA
CCLA Local Authorities Property Fund	15.000	4.79%	n/a
CCLA The Public Sector Deposit 4	19.904	4.12%	AAA
JPMorgan Liquidity Funds	7.250	3.97%	AAA
Total Treasury Investments	58.996		
Non-Treasury Investments			
Homes for Reading Ltd	1.100	3.25%	n/a
Homes for Reading Ltd	0.400	3.38%	n/a
Homes for Reading Ltd	0.800	3.59%	n/a
Homes for Reading Ltd	0.700	3.58%	n/a
Homes for Reading Ltd	0.800	3.62%	n/a
Homes for Reading Ltd	0.800	3.57%	n/a
Homes for Reading Ltd	2.000	3.48%	n/a
Homes for Reading Ltd	3.000	3.41%	n/a
Homes for Reading Ltd	4.000	3.19%	n/a
Homes for Reading Ltd	2.000	3.38%	n/a
Homes for Reading Ltd	1.300	3.51%	n/a
Homes for Reading Ltd	7.000	3.75%	n/a
Brighter Futures for Children Ltd	5.000	1.81%	n/a
Reading Transport Ltd	4.609	5.00%	n/a
Reading Transport Ltd	0.500	5.00%	n/a
Reading Transport Ltd	0.490	5.00%	n/a
Reading Transport Ltd	0.207	5.00%	n/a
Reading Transport Ltd	0.164	5.00%	n/a
Reading Transport Ltd	0.151	5.00%	n/a
Reading Transport Ltd	0.700	5.00%	n/a
Total Non-Treasury Investments	35.721		
Total Investments*	94.717		

*Values above do not include lease agreements with Reading Transport Ltd.