

Appendix B

Portfolio	Instruments	Initial Valuation/ Measurement	Subsequent Valuation Method	Value Fluctuations	Classification & Remarks
Core Cash Book	Fixed Deposit, Structured Deposits	Fair Value plus transaction costs	Amortised Costs	Comprehensive Income & Expenditure Statement	Loans and Receivables. Long Term defined as greater than 1yr to maturity.
Bank Liquidity Book	Term or Structured Deposits	Fair Value plus transaction costs	Amortised Costs	Comprehensive Income & Expenditure Statement	Loans and Receivables. Deposits less than 1 yr to maturity
Bank Liquidity Book	Fixed Deposits Call Accounts	Fair Value plus transaction costs	Amortised Costs	Comprehensive Income & Expenditure Statement	Loans and Receivables. These are cash and cash equivalents defined as having less than 3 months to maturity.
Bank Liquidity Book	Money Market Funds / Bond Funds	Fair Value plus transaction costs	Fair Value	AFS Reserve until disposal, then recycled through income and expenditure account.	Available For Sale Reserve holds change in value (paper gain or loss) until the value of the asset is realised.
Core Maturity Matching Book	Gilts, Index Linked Gilts, Supra national and Corporate Bonds	Fair Value plus transaction costs	Fair Value	AFS Reserve until disposal, then recycled through income and expenditure account.	Available For Sale Reserve holds change in value (paper gain or loss) until the value of the asset is realised.
Core Maturity Matching Book	Local Authority Bonds	Fair Value plus transaction costs	Fair Value	AFS Reserve until disposal, then recycled through income and expenditure account.	Available For Sale Reserve holds change in value (paper gain or loss) until the value of the asset is realised.
Bond Liquidity Book	Gilts, Index Linked Gilts, Supra national and Corporate Bonds	Fair Value plus transaction costs	Fair Value	Income and Expenditure Account.	The active portfolio is held for trading and therefore realised and unrealised gains and losses are taken straight to Financing and Investment Income and Expenditure Account.

