

## Shire Hall Loan Repayment Information – January 2018

The following information was provided to the Council as part of the 2018/19 budget setting process for their consideration.

In 2000 Bodmin Town Council took out two loans to purchase and refurbish the Shire Hall. The loan was taken out on the following basis;

- Loan amount £400,000.00 (£200,000 each)
- Fixed Interest Only for 26 Years
- Interest rates of 4.625% and 4.875%
- No early repayment option, without penalties, as is standard with all loans from the Public Works Loan Board (PWLB).
- Repayment Dates are 31 March 2025 and 12 August 2025.

The early repayment figure provided by the PWLB as at 16 January 2018 is a total of £513,501.27.

System #	Amt	F/V	Previous Payment	Final Payment	Loan Rate	Discount Rate	Outstanding Principal	Principal Prepayment	Accrued Int	Premium/Discount	Total Due
PW482931	M	F	12/08/2017	12/08/2025	4.62500	1.02000	200,000.00	200,000.00	4,029.45	52,358.98	256,388.43
PW482975	M	F	30/09/2017	31/03/2025	4.87500	0.97000	200,000.00	200,000.00	2,938.36	54,174.48	257,112.84
<b>Total:</b>							<b>400,000.00</b>	<b>400,000.00</b>	<b>6,967.81</b>	<b>106,533.46</b>	<b>513,501.27</b>

When reviewing the early repayment the Council consider the following;

Remaining Interest Due over the term of the Loan is £147,125.00

	Jul	Sept	Jan	Mar
2017/18			4,625.00	4,875.00
2018/19	4,625.00	4,875.00	4,625.00	4,875.00
2019/20	4,625.00	4,875.00	4,625.00	4,875.00
2020/21	4,625.00	4,875.00	4,625.00	4,875.00
2021/22	4,625.00	4,875.00	4,625.00	4,875.00
2022/23	4,625.00	4,875.00	4,625.00	4,875.00
2023/24	4,625.00	4,875.00	4,625.00	4,875.00
2024/25	4,625.00	4,875.00	4,625.00	4,875.00
2025/26	4,625.00			
	<b>37,000.00</b>	<b>34,125.00</b>	<b>37,000.00</b>	<b>39,000.00</b>

Future Net Interest (Average) estimated to be received from the Councils Investments is £74,667.30

£9,634.49 average interest received x 7.75 years remaining before repayment.

Decision Information;

Early Repayment Penalty Cost	£113,501.27
Existing Situation Cost	£72,457.70

The Council chose to not repay the loan in 2018/19, but to review this situation as part of the 2019/20 budget setting process.