

Interest On Money Market Funds

PURPOSE

To outline the accounting treatment for Interest on Money Market Funds

OVERVIEW

Treatment for cash received or reinvestment of Money Market funds interest.

TRANSACTION DETAILS

Trade ID
VDate
Position
Currency
Interest Amount

MMF Interest Received

MFT1001
21-Sep-11
800,000.00
GBP
659.92

Trade ID
VDate
Position
Currency

Interest Amount

Re-invest of MMF Interest

MFT1002
6-Oct-11
800,000.00
GBP
495.21

Trade ID
Buy/Sell
Trade Date
Value Date
Quantity
Trade Currency
Price
Gross Proceeds
Net Proceeds

IVM1003
Buy
6-Oct-11
6-Oct-11
495.21
GBP
1.00
495.21
495.21

SUMMARY OF JOURNALS

ID	Date	Description
J1	6-Oct-11	Trade MFT1002 - MMF Interest Settlement
J2	6-Oct-11	Trade IVM1003 - Trade Date Journal
J3	6-Oct-11	Trade IVM1003 - Settlement Date Journal

J1 Trade MFT1002 – MMF Interest Settlement

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
MFT1002	6-Oct-11	B	Cash at Bank	GBP	495.21	1.000000	GBP	495.21	J1a
MFT1002	6-Oct-11	B	MMF Interest Income	GBP	-495.21	1.000000	GBP	-495.21	J1b

J2 Trade IVM1003 – Trade Date Journal

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
MFT1002	6-Oct-11	B	INV: Investment Equity Cost	GBP	495.21	1.000000	GBP	495.21	J2a
MFT1002	6-Oct-11	B	INV: Due to Broker	GBP	-495.21	1.000000	GBP	-495.21	J2b

J3 Trade IVM1003 – Settlement Date Journal

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
MFT1002	6-Oct-11	B	INV: Due to Broker	GBP	495.21	1.000000	GBP	495.21	J3a
MFT1002	6-Oct-11	B	Cash at Bank	GBP	-495.21	1.000000	GBP	-495.21	J3b

FREQUENTLY ASKED QUESTIONS

RELATED INFORMATION

CHANGE HISTORY

Date	By	Changes
23-Mar-2020	TS	Creation.
31-Mar-2020	CS	Updated.
06-Apr-2020	LT	Re-formatting