

GRAND COURT PRACTICE DIRECTION NO. 2/95
(GCR O.1, r.12)

Attachment of Earnings Orders – Calculation of Post-Judgment Interest

(GCR 0.50A, r.7)

1. Wherever a judgment debt is ordered to be paid by instalments pursuant to an attachment of earnings order made under GCR Order 50A, rule 7, post-judgment interest will be calculated at the time of making the order.
2. The amount of interest will be calculated on the assumption that the instalments are paid on due date, using the following formula where D is the amount of the judgment debt (including principal and pre-judgment interest); N is the number of monthly instalments; R is the prescribed rate; I is the interest payable; and X is the amount of each instalment, i.e. the normal monthly deduction rate.

$$\left(\frac{DxN}{24}\right)R = I$$

Amount of each instalment will be

$$\left(\frac{D}{N}\right) + \left(\frac{I}{N}\right) = X$$

Example:

Judgment debt CI\$12,500 which is to be payable by equal instalments over 36 months. The prescribed rate of post-judgment interest payable on CI dollar debts is currently 8% per annum. The monthly instalment is therefore CI\$388.89 calculated as follows:

Interest payable

$$\left(\frac{12,500x36}{24}\right)8\% = 1,500$$

The amount of each instalment

$$\left(\frac{12,500}{36}\right) + \left(\frac{1,500}{36}\right) = 388.89 / month$$

Each instalment therefore comprises principal of CI\$347.22 and interest of CI\$41.67.

DATED this 1st day of May, 1995.

Hon. George Harre, Chief Justice