

***Draft***

***Statement of Accounts  
For the year ended 31st March 2006***

Chairman of the Council 2005/06	Councillor J A P Eddy
Leader of the Council 2005/6 To December 2005 From January 2006	Councillor D P Holley Councillor I C Bates
Executive Councillor for Finance 2005/06	Councillor T V Rogers
Chief Executive	Mr. D Monks
Corporate Director, Commerce & Technology To January 2006 (January to March 2006 From April 2006	Mr. D Oliver Mr S C Couper) Mr T Parker
Auditors	RSM Robson Rhodes LLP



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### Introduction

In order to provide the public with authoritative reports on the financial affairs of local authorities a national Code of Practice on Local Authority Accounting has been established. This sets out the form and content of the accounts of local councils and Huntingdonshire District Council's Statement of Accounts complies with it.

This booklet presents the accounts of Huntingdonshire District Council for 2005/06. The main income and expenditure account is the Consolidated Revenue Account which includes the cost of providing the Council's services which are partly funded from the council tax. The Consolidated Balance Sheet summarises the Council's assets and liabilities at 31<sup>st</sup> March 2006 and the Cash Flow Statement sets out where the money came from and how it was spent. Where relevant, explanatory notes give greater detail.

The overview below highlights the more significant features of the accounts and the Council's overall position.

### Overview

The Council, in accordance with its long term financial strategy, set a Council Tax of £106.54 for 2005/06 in February 2005. This was a cash increase of just £12 per year but because of the Council's previous low tax level (20<sup>th</sup> lowest of the 238 District Councils) this was equivalent to a 12.7% increase. The Government therefore "capped" the Council, because it was more concerned with % increases than cash increases, and required rebilling to take place based on a lower tax level of £99.71. This resulted in a reduction in the expected Council Tax income of around £0.4m.

The Council did not reduce services to match this but instead decided to use more of its reserves if savings or efficiency improvements did not materialise.

Continued efforts have been made to reduce expenditure and the following notable results have been achieved:

- Higher levels of recycling leading to higher recycling credits and a performance grant.
- Lower employee and administrative costs.
- An increased proportion of costs recharged to capital projects (effectively a transfer from capital reserves to revenue reserves which are more flexible).
- Reduced vehicle running costs due to lower insurance premiums and lower maintenance costs resulting from regular replacement.
- Higher interest on cash invested.
- Increased income from charged services (e.g. development control and building control)

The table below highlights the key entries from the Consolidated Revenue Account on page 11:

<b>Revenue Expenditure</b> (net of Town/Parish precepts)	<b>Actual</b> £000
<b>Services</b>	
Gross Expenditure	58,692
Income	<u>-31,324</u>
Net Cost	27,368
<b>Other Items</b>	
Investment Income	-3,654
Trading undertakings surplus	-291
Pension, capital and financing adjustments	-7,919
<b>Total to be funded</b>	<b>15,504</b>
<b>Funding</b>	
Council Tax	-5,656
Collection Fund adjustment	+4
Revenue Support Grant	-5,038
NNDR from national pool	-4,587
District Council Reserves	-227
<b>Total Funding</b>	<b>-15,504</b>

In addition, total gross **capital expenditure** amounted to £18.8m (net of £12.8m of investments that have to be treated as capital under local authority investment regulations). Sums spent in the year included regeneration of the Oxmoor (£9.3m), leisure centres and parks (£1.4m), refuse and recycling (£0.4m), environmental improvements (£0.9m) housing (£2m) and further investment in information technology (£1.4m) and operational vehicles (£1.2m). Further details are given on page 16.

Capital expenditure was mainly financed from accumulated capital receipts (the Capital Reserve) but also capital grants and contributions.

<b>Capital (excluding investments)</b>	<b>£m</b>
Expenditure	<b>18.8</b>
Funded from:	
Capital Receipts (Reserves)	<b>15.9</b>
Grants and contributions	<b>2.9</b>

## Balance Sheet

The overall position as at 31 March 2006 is presented in the consolidated balance sheet on page 15.

The Council is left with the following Reserves:

<b>Reserves as at 31 March 2006</b>	<b>£m</b>
Revenue	<b>18.2</b>
Capital	<b>42.0</b>

Capital Reserves are the sum of Usable Capital Receipts Reserve (£29.45m) and Non-Approved Investments (£12.53m).

## Council Tax and Collection Fund

The precepts for the County Council, Police and Fire Authorities and town and parish councils, that Huntingdonshire collects on their behalf, brought the average band D council tax charge for residents of the District up to £1,184 compared to £1,133 in the previous year. These are dealt with through a separate account called the Collection Fund which is shown on page 23.

The Council Tax raised £67m from the taxbase of 56,718 band D equivalent properties. Payments were made from the collection fund to the County (£48m), Police (£8m), Fire (£2.7m), District (£5.7m) and Town and Parishes (£3.1m). The balance is distributed between the authorities in proportion to those precepts.

## Conclusion

The Council has been independently judged as “excellent” and continues to seek to reduce costs through greater efficiency and value for money studies so it can enhance services without significant increases in the Council Tax from its current low level.

The Council was “capped” despite having a very low level of Council Tax.

Additional income and savings have allowed the Council to retain significant levels of Reserves which provide valuable flexibility during the search for further efficiency savings over the coming years.

## Terry Parker

Director of Commerce & Technology  
June 2006

Statement of Accounts approved by the Corporate Governance Panel 27<sup>th</sup> June 2006  
Chairman: Cllr. C. J. Stephens



## Statement of Responsibilities for the Statement of Accounts

### **The Authority's Responsibilities**

An authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs.
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- to approve the statement of accounts by the 30th June 2006

### **The responsibilities of the Responsible Financial Officer**

In preparing this statement of accounts which presents fairly the financial position of the Authority, I have:

- selected suitable accounting policies and applied them consistently.
- made judgments and estimates that were reasonable and prudent.
- complied with the Code of Practice
- kept proper accounting records which were maintained up to date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Terry Parker BA (Hons) FCA  
Director of Commerce & Technology  
Dated 30 June 2006



## Corporate Governance Statement

To be inserted



## Accounting Policies

### 1 **General**

These accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting issued by the Chartered Institute of Public Finance and Accountancy which reflect the Financial Reporting Standards (FRS) and Statements of Standard Accounting Practice (SSAPs) applicable to Local Government, which require that any variations from the Code are detailed in the notes to the accounts. The main policies adopted in compiling the accounts are set out below.

### 2 **Accounting Concepts**

These accounts have been prepared in accordance with the underlying concepts of

- The Council being a 'going concern' i.e. a continuing business
- Accrual of income and expenditure.
- Primacy of legislative requirements

Due regard is given to consistency and prudence where these do not conflict with the application of the primary concepts. The accounting statements are prepared with the objective of presenting fairly the financial position and transactions of the authority.

### 3 **Debtors and Creditors**

In the accounts income and expenditure items are accounted for in the year in which they arise by the creation of debtors and creditors. No material estimates have been included in debtors and creditors.

### 4 **Bad debt provision**

Provision is made to cover potential losses in collection of income due to the Council. The level of provisions made for bad debts take into account the nature, value and age of debts.

### 5 **Fixed Assets**

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis. Infrastructure and community assets are included in the balance sheet at historical cost, net of depreciation where appropriate. Operational assets, primarily land and property, are included in the balance sheet at the lower of net current replacement cost or net realisable value in current use. Non-operational assets are similarly valued with reference to market value. All assets held at current value were re-valued at 1st April 2004. Such revaluations are made every five years with intermediate indexation. Service revenue accounts are charged for the fixed assets used in the provision of the service. In the case of "non-operational" and "community" assets this consists of a financing or interest charge whilst "operational" assets have an additional charge for depreciation.

### 6 **Impairment of assets**

Impairment is a change in events or circumstances that results in a reduction in an asset's value. Where impairment is identified an additional charge to service revenue accounts is made to reflect the loss in value based on the remaining useful life of the asset. A full review of impairment of assets is combined with the five year revaluation. Material impairment between revaluations is reflected in the accounts each year.

### 7 **Intangible Assets**

Purchased software licences are capitalised as intangible assets and initially included on the balance sheet at cost. The outstanding amount is reduced each year by charging a proportion to revenue over the period of economic benefit which is deemed to be 4 years.

- 8 Sale of Fixed Assets**  
Income from the disposal of fixed assets is credited to the Usable Capital Receipts Reserve on an accruals basis. The required proportion reserved for the repayment of external loans is credited to the Capital Financing Account.
- 9 Leases**  
**Finance leases.** The Council leases certain items of vehicles, plant and equipment from Finance companies. They are capitalised and included in the fixed assets shown on the balance sheet.  
**Operating leases.** Operating lease rental is charged to revenue in the year it is payable under the terms of the lease.
- 10 Deferred Charges**  
Deferred charges are payments of a capital nature where no fixed asset is created. They are charged to service revenue accounts in the year of expenditure.
- 11 Depreciation**  
Assets are depreciated over their useful economic life. Straight line depreciation is used for all assets except vehicle and plant to which a 25% reducing balance basis is applied. The value of each asset is shown net of cumulative depreciation in the balance sheet.
- 12 Basis for provision for redemption of debt**  
Under the provisions of part (iv) of the Local Government and Housing Act 1989 the Council must set aside sums to meet credit liabilities arising from loans outstanding. Revenue accounts are debited with an amount sufficient to set aside the minimum revenue provision for principal repayments as defined by the Act. Further sums must be set aside to cover notional interest on credit arrangements.
- 13 Stock and Work in Progress**  
The value of stock is included in the accounts at average purchase price. Work in progress is included at cost or net realisable value whichever is the lower in accordance with SSAP 9.
- 14 Reserves and Provisions**  
The Council maintains reserves and provisions to meet certain types of expenditure.. Details of all reserves are given in note 14 to the balance sheet
- 15 Investments**  
Investments are shown in the Consolidated Balance Sheet at market value and are detailed in note 3 to the Balance sheet. Prior to 2005/06 the investments that are capitalised in accordance with Government regulations, were treated as intangible assets. From 2005/06 they are shown in the balance sheet as long term investments. The 2004/05 figure for investments and intangible assets have been amended.
- 16 Pensions**  
Cambridgeshire County Council administers the local Government Pension Scheme in which Huntingdonshire District Council's employees may participate. The accounting policy is to recognise the full liability that the Council has for meeting the future cost of retirement benefits arising from years of service earned by employees up to the balance sheet date, net of the contributions paid into the Fund and the investment income they have generated; this meets the requirements of FRS17. Details of the Council's expenditure, income, assets and liabilities relating to The Local Government Pension Scheme, are given on pages 27 to 29.
- 17 Grants**  
Grants and subsidies have been credited to the appropriate revenue account and accruals have been made for balances known to be receivable for the period to 31st March 2006.

Where the acquisition of a fixed asset is financed either wholly or in part by a grant or contribution, this is credited to the asset account in the year in which it is received.

**18 Group Accounts**

The 2004 Statement of Recommended Practice requires that the Council to produce Group Accounts if they are relevant. The Council is not undertaking any actions that would make them necessary.

**19 Allocation of Support Services**

Support services are apportioned over all services on the basis of use which varies according to the nature of the support service provided. Administrative buildings are apportioned on the basis of area occupied.

**20 Value Added Tax**

VAT is not included in the income and expenditure accounts (revenue and capital) as most VAT is recoverable. The only exception is irrecoverable VAT relating to the provision of exempt services, which from 2005/06 is charged to the relevant service. In 2004/05 the irrecoverable VAT was not allocated to services and is included in non-distributed costs.

**21 Contingent assets and liabilities**

If a liability arises from an event which is too uncertain or the amount of the obligation cannot be reliably estimated, the liability is disclosed as a contingent liability. Similarly contingent assets are not included in the accounts but disclosed as notes.

**22. Leisure Centre Management Committees**

The Leisure Centre Management Committees are constituted under section 102 of the Local Government Act 1972 and consequently are required to report independently of Huntingdonshire District Council by means of a separate statement of accounts.



## Consolidated Revenue Account

2004/05 Net Expenditure £000		<i>note</i>	Gross Expenditure £000	2005/06 Income £000	<b>Net Expenditure £000</b>
	Cultural, Environmental & Planning Services				
5,295	Leisure	2	6,509	-670	<b>5,839</b>
6,227	Environmental Services		7,329	-1,216	<b>6,113</b>
2,619	Refuse Collection		3,608	-192	<b>3,416</b>
3,140	Planning and Development	1	4,930	-1,535	<b>3,395</b>
	Housing Services				
3,420	Housing General Fund		23,325	-19,618	<b>3,707</b>
-62	Local Taxation Benefits		5,508	-5,516	<b>-8</b>
1,162	Highways and Transportation	3	1,972	-1,343	<b>629</b>
	Central Services				
695	Local Taxation Collection		1,241	-255	<b>986</b>
63	Other Central Services		495	-506	<b>-11</b>
2,926	Corporate and Democratic Core		3,580	-461	<b>3,119</b>
667	Non-Distributed costs		195	-12	<b>183</b>
<b>26,152</b>	<b>Net cost of Services</b>		58,692	-31,324	<b>27,368</b>
2,816	Parish Precepts				<b>3,111</b>
-219	Trading undertakings surplus	4			<b>-291</b>
-3,948	Interest and Investment Income	5			<b>-3,654</b>
-1,562	Asset Management Revenue Account net income	6			<b>-1,457</b>
-269	Pensions interest cost and expected return on assets	<i>Pg 29</i>			<b>529</b>
<b>22,970</b>	<b>Net operating expenditure</b>				<b>25,606</b>
-650	Transfer from Underspending Reserve				<b>-122</b>
350	Transfers to other Earmarked Reserves				<b>278</b>
0	Capital expenditure financed from revenue				<b>10</b>
-5,465	Transfer from Capital Financing Account	7			<b>-5,379</b>
-584	Pensions Appropriation	<i>Pg 29</i>			<b>-1,647</b>
<b>16,621</b>	<b>Amount to be met from government grants and local taxation</b>				<b>18,746</b>
-8,124	Precept on Collection Fund				<b>-8,767</b>
14	Transfer of Collection Fund surplus/deficit				<b>4</b>
-4,430	Government Revenue Support Grant				<b>-5,038</b>
-4,301	Non-Domestic rate pool distribution				<b>-4,587</b>
<b>-220</b>	<b>Surplus (-)/Deficit transferred to General Fund Reserve</b>				<b>358</b>

### General Fund Reserve

2004/05 £000		2005/06 £000
18,240	Balance brought forward 1st April	18,460
<u>220</u>	Contribution from/to(-) Revenue Account	<u>-358</u>
<b><u>18,460</u></b>	Balance carried forward 31st March	<b><u>18,102</u></b>



## Notes to the Consolidated Revenue Account

### 1 Building Control

The Building (Local Authority Charges) Regulations 1998 requires disclosure of information regarding the setting of charges for building control work and the resulting surplus or deficit. The regulations also require that the costs of providing a chargeable service break-even over a 3 year period.

	2004/05	2005/06
Income from chargeable work	-475	-464
Expenditure	505	452
Surplus (-) /deficit	30	-12
Cumulative surplus (-) /deficit for chargeable work (3 year rolling balance)	43	19

### 2 Leisure Centre Management Committees

The Authority contributed the following deficit support to the Leisure Centres in the district which are managed jointly with Cambridgeshire County Council

2004/05		2005/06
£000		£000
767	St Ivo	763
575	Huntingdon	683
572	St Neots	587
436	Ramsey	533
352	Sawtry	365
2,702		2931

### 3 Agency Services

The Council acted as agent for Cambridgeshire County Council for highways services in the District which involved the maintenance of non-principled roads and minor improvements. The agency arrangements finished on 31 March 2005.

	2004/05	2005/06
Gross Expenditure	1,401	0
Income	81	0
Net Recharge	1,320	0

### 4 Trading Undertakings

The following items are defined as trading undertakings by the Code of Practice

	2004/05		2005/06	
	Turnover	Surplus	Turnover	Surplus
	£000	£000	£000	£000
Markets				
Huntingdon	59	13	58	12
Ramsey	7	-2	5	-5
St Ives	141	82	125	63
Management		-21		-46
	207	72	188	24
Industrial Properties	514	168	554	207
Commercial Properties	160	49	159	60
	881	289	901	291



## Notes to the Consolidated Revenue Account (continued)

### 5 Interest on Internal Balances

Interest receipts credited to the General Fund include all amounts received in respect of balances held and invested externally, except for interest on the S106 reserve which is credited to that reserve.

### 6 Asset Management Revenue Account movements

The purpose of this account is to offset the capital charges made to the revenue accounts and replace them with external interest and depreciation charges, so that they do not impact on the amounts required to be raised from taxation.

	2004/05	2005/06
	£000	£000
External interest	82	220
Depreciation	2,623	3,317
Sale of assets	0	0
Reversal of capital charges to revenue	-4,267	-4,994
	<u>-1,562</u>	<u>-1,457</u>

### 7 Transfer from the Capital Financing Account

The transfer to the Consolidated Revenue Account consists of the following items:

	2004/05	2005/06
	£000	£000
Provision for depreciation	-2,623	-3,317
Commutation adjustment	-399	-323
Deferred charges written off	-2,443	-1,739
	<u>-5,465</u>	<u>-5,379</u>

### 8 Minimum Revenue Provision

The net amount charged to revenue in compliance with the statutory requirement to set aside a minimum revenue provision for the repayment of external loans is nil because the Council is debt-free for the purpose of this calculation

### 9 Expenditure on Publicity

Under section 5 of the Local Government Act 1986, the Authority is required to disclose the level of expenditure on publicity

	2004/05	2005/06
	£000	£000
Recruitment advertising	151	190
Other advertising	231	190
	<u>382</u>	<u>380</u>



## Notes to the Consolidated Revenue Account (continued)

### 10 Officers emoluments and members allowances

The number of employees whose remuneration in the year fell within each of the following bands is shown opposite

Remuneration excludes employer's and employees pension contributions, but includes any other employee benefits

	2004/05	2005/06
£50,000 - £60,000	12	4
£60,000 - £70,000	1	11
£70,000 - £80,000	3	1
£110,000 - £120,000	1	
£120,000 - £130,000		1

Members allowances paid in 2005/06 totalled £334k. In 2004/05 £298k was paid

### 11 Audit Fees

	2004/05 £000	2005/06 £000
Grant claim certification	24	26
Statutory inspections	0	3
External audit	79	82
	103	111

### 12 Related Party transactions

The Council must disclose in the accounts any material transactions with related parties. Examples of 'related parties' are Councillors, Chief Officers, Central Government and other Local Authorities. No material transactions have been identified for disclosure that are not included elsewhere in this Statement of Accounts.



## Consolidated Balance Sheet as at 31st March 2006

2005 restated £000		<i>Note</i>	2006 £000
	Tangible Fixed Assets	1,2	
	Operational Assets		
16,886	Land & Buildings		17,119
6,572	Vehicles & Plant		7,226
6,421	Infrastructure		7,164
451	Community Assets		451
	Non-Operational		
8,364	Investment properties	1	8,359
3,031	Assets under Construction		13,293
5,603	Surplus assets, held for disposal		615
2,242	Intangible Assets		2,928
<b>49,570</b>			<b>57,155</b>
73,253	Investments	3	73,628
953	Long Term Debtors	4	892
<b>123,776</b>	<b>Total Long Term Assets</b>		<b>131,675</b>
	<b>Current Assets</b>		
92	Stock	6	71
8,899	Debtors	7	6,709
0	Short Term Investments		3,400
443	Payments in Advance		356
<b>9,434</b>			<b>10,536</b>
	<b>Current Liabilities</b>		
-2,500	Short Term Borrowing		-14,500
-5,336	Creditors	8	-4,249
-2,137	Receipts in advance		-433
-1,996	Cash overdrawn		-2,416
<b>-11,969</b>			<b>-21,598</b>
<b>-2,535</b>	<b>Net Current Assets</b>		<b>-11,062</b>
	<b>Long-Term Liabilities</b>		
-278	Deferred Credits (including capital receipts)	9	-237
-26,170	Pension Scheme Liability	Pg 28	-29,370
<b>94,793</b>	<b>Total Assets less Liabilities</b>		<b>91,006</b>
	<b>Financed by</b>		
-18,653	Fixed Assets Restatement Account	11	-23,716
74,129	Capital Financing Account	13	94,052
44,697	Usable Capital Receipts Reserve	12	29,445
-26,170	Pensions Reserve	Pg 28	-29,370
2,330	Earmarked Reserves	14	2,493
18,460	General Reserve	14	18,102
<b>94,793</b>			<b>91,006</b>



## Notes to the Consolidated Balance Sheet

### 1 Assets

All assets held at current value were revalued at 1st April 2004. Revaluations are made every five years with intermediate indexation. The valuations were carried out externally and independently by LM Catley ARICS on the basis of current use and/or market value as appropriate. See also the accounting policy described on page 9 relating to depreciation.

Capital projects commenced at 31st March 2006 commit future expenditure totalling £2.762m

	2004/05 Expenditure £000	1.4.05 Value £000	Revalued £000	2005/06 Expenditure £000	Disposals £000	Depn £000	Adjustment £000	31.3.06 Value £000	Number
<b>Operational assets</b>									
<b>Land &amp; Buildings</b>									
Offices	58	4,053		24	-24	-84		3,969	3
Depots	8	510		5		-14		501	3
Leisure Centres note 1	1,128	5,882		428		-441	245	6,114	5
Markets		285						285	2
Bus stations	91	534		169		-24		679	2
Public Conveniences	2	339		-3		-14		322	9
Car Parks	52	3,438		96		-98	8	3,444	25
Mobile Home Park	52	774				-2		772	1
Recycling site		74						74	1
Country Parks & Recreation Grounds (450 acres)	24	997		-11		-27		959	4
	<b>1,415</b>	<b>16,886</b>		<b>708</b>	<b>-24</b>	<b>-704</b>	<b>253</b>	<b>17,119</b>	
<b>Vehicles, Plant &amp; Equipment</b>									
Vehicles and Plant	940	1,976		1258	-9	-820	124	2,529	105
Recycling equipment	2,528	2,890		389		-230	-124	2,925	
Parks equipment	49	223		395		-89		529	
Closed Circuit Television Equipment	53	435		108		-109		434	
Computer and Office Equipment	30	282		12		-78		216	
Sports Equipment	528	766				-173		593	
	<b>4,128</b>	<b>6,572</b>		<b>2,162</b>	<b>-9</b>	<b>-1,499</b>		<b>7,226</b>	
<b>Infrastructure assets</b>									
Watercourses	5	514				-26		488	
Environmental Improvements (19 sites)	1,117	4,525		910	-76	-181		5,178	
Parks and open spaces improvements	116	708		21		-38		691	
Community information sites				38		-6	31	63	
Transportation	80	613		131	-25	-50	16	685	
Crime and Disorder (Lighting)	19	61		7		-9		59	
	<b>1,337</b>	<b>6,421</b>		<b>1,107</b>	<b>-101</b>	<b>-310</b>	<b>47</b>	<b>7,164</b>	
<b>Community assets</b>									
Parks and open spaces (7 sites)		451						451	
	<b>6,880</b>	<b>30,330</b>		<b>3,977</b>	<b>-134</b>	<b>-2,513</b>	<b>300</b>	<b>31,960</b>	
<b>Non-Operational assets</b>									
Investment Properties	146	8,364		-2,734			2,729	8,359	132
Assets under Construction	3,271	3,031		13,293			-3,031	13,293	
Surplus assets, held for disposal		5,603		42	-5,030			615	7
	<b>3,417</b>	<b>16,998</b>		<b>10,601</b>	<b>-5,030</b>		<b>-302</b>	<b>22,267</b>	<b>139</b>
<b>Intangible Assets</b>									
IT Software	1,315	2,242		1,489		-803		2,928	
	<b>1,315</b>	<b>2,242</b>		<b>1,489</b>		<b>-803</b>		<b>2,928</b>	
	<b>11,612</b>	<b>49,570</b>		<b>16,067</b>	<b>-5,164</b>	<b>-3,316</b>	<b>-2</b>	<b>57,155</b>	

### Notes

- The Council also operates five leisure centres which are managed jointly with Cambridgeshire County Council. The facilities are provided by Huntingdonshire District Council on land associated with schools. These are included in operational assets at historic cost and are included in operational assets at historic cost. They will be revalued at current cost as part of a rolling programme of revaluation
- Investment properties are generally held for economic development purposes, but are required to be shown as investment properties

## Notes to the Consolidated Balance Sheet (continued)

### 2a Deferred Charges

	Balance	Expenditure	Disposals	Depreciation	Balance
	1.4.05				31.3.06
	£000	£000	£000	£000	£000
Grants for leisure projects	0	55		-55	0
Improvement grants	0	1,733	-835	-898	0
Housing Association grants	0	630		-630	0
Grants for community projects	0	254	-14	-240	0
Other	0	28	-6	-22	0
	0	2,700	-855	-1,845	0

### 2b Financing of Capital Expenditure

	2004/05	2005/06
	£000	£000
Capital Receipts	15,666	28,700
External contributions & capital grants	6,088	2,889
Revenue	0	10
Capital creditors	-1,453	0
Total financed	20,301	31,599

### 3 Investments

	2004/05	2005/06
	£000	£000
Long term investments held at 31st March		
Investec Investment Fund	26,592	26,757
Alliance Investment Fund	26,561	26,771
City Deposit Brokers Investment Portfolio	20,000	20,000
Other (net of provision for losses)	100	100
	73,253	73,628

Most surplus cash held in the Council's reserves is invested through the services of external fund managers, Investec, Alliance Capital and City Deposit Brokers.

Under the Council's instructions the funds are invested in Government bonds (gilts), non-specified investments (including corporate bonds), and cash instruments in order to achieve a return on investment in excess of that achievable at Local Authority seven-day money market rates.

Other long term investments at 31st March of £0.1m (net) includes £0.4m invested with Chancery Bank, of which £0.3m is converted to share capital as a consequence of financial restructuring of the bank. Because it is in administration, an equal provision is made against losses.

The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 require that loan capital should be treated as capital expenditure. As at 31 March 2006, £12,526k of investments were in this category.

### 4 Long Term Debtors

	Balance	Written	Balance
	1.4.05	down	31.3.06
	£000	£000	£000
Loans - St Neots Town Council	152	9	143
Housing advances	674	19	655
Council House Sale Mortgages	127	33	94
	953	61	892

## Notes to the Consolidated Balance Sheet (continued)

### 5 Leases

In previous years, the Council has used finance leases to meet the cost of vehicles, plant and equipment acquired

Future commitments for operating leases are all less than 1 year

	2004/05	2005/06
Assets held under finance leases	£000	£000
Value of assets acquired in the year	0	0
Total capital value of lease agreements	208	208
Lease rentals paid in year	0	0
Assets under operating leases		
Payments	201	23
Future commitments as at 31st March	21	0

### 6 Stock

	31.3.05	31.3.06
	£000	£000
Diesel	14	16
Printing	9	16
Refuse Sacks	16	15
Rail passes	27	3
Other	26	21
	<u>92</u>	<u>71</u>

### 7 Debtors

	31.3.05	31.3.06
	£000	£000
Amounts falling due in one year		
Government Departments	741	675
NNDR National Pool	287	1,233
Cambridgeshire County Council	727	154
Other Public Authorities	102	83
Huntingdon Housing Partnership	2,864	1,517
Housing Tenants	361	597
Local Taxation	1,694	1,665
NNDR payers	341	796
Investment Interest	491	411
General Debtors	<u>3,029</u>	<u>1,705</u>
	10,637	8,836
Amounts falling due over the next five years		
Loans to employees	218	120
Total Debtors	<u>10,855</u>	<u>8,956</u>
Less Provision for bad debts	<u>-1,956</u>	<u>-2,247</u>
	<u>8,899</u>	<u>6,709</u>

### 8 Creditors

	31.3.05	31.3.06
	£000	£000
Government Departments	757	1,058
Local Authorities	192	213
Leisure Centre Management Committees	300	246
Loan Interest accrued	5	98
Other	4,082	2,634
	<u>5,336</u>	<u>4,249</u>

## Notes to the Consolidated Balance Sheet (continued)

### 9 Long Term liabilities

#### Deferred Credits

This consists of external contributions in respect of capital expenditure due but not received. An adjustment was made to the 2004/05 accounts after they were published affecting the deferred credits account. A contribution for the financing of capital expenditure resulted in the deferred credits account being credited and the capital financing account debited with £51k. The consolidated balance sheet, statement of total movement and reserves and the capital financing account (note 13) are restated from the 2004/05 published accounts.

#### Long term borrowing

The council has no long term borrowing.

### 10 Contingent Liabilities

- a Consequent on the transfer of the Council's housing stock to Huntingdonshire Housing Partnership in 1999/00 the Council bears continuing unlimited liability in two respects.
  - ( i ) Necessary associated sewer maintenance in excess of £65k per annum
  - ( ii ) Environmental pollution arising from the Council's former ownership of the housing stock.
  
- b In 2003 it was determined that Discretionary Rate Relief should not have been granted to the five Leisure Centre Joint Committees. Legal advice concluded that correction only needed to be made in the accounts back to 1st April 2001 though this cannot be certain until a decision is made by the ODPM. As a result of the legal opinion, no financial provision has been made for the value of the relief from the start of the current Non-Domestic Rates system until April 2001 which is estimated at £1m
  
- c The Council owns a mobile home park and it has been identified that the land is contaminated. A project is underway to remediate the land (tenders for the main works have not yet been received) and it is expected that the majority of the cost will be eligible for government support through the supplementary credit approval system. This system should result in the Council receiving additional Revenue Support Grant equivalent to the repayments on a loan to fund the eligible remediation costs. Thus, whilst the Council will have to initially fund the works from loan or reserves, it is not anticipated that there will be an eventual significant cost to the Council
- d. The Council has recently received a claim for £240,000 relating to an ex-employee. There is a dispute between two insurance companies over which is liable to deal with and meet the claim. It is possible that the Council will have to meet the claim in the first instance and then take court action to resolve the insurance issue. There is a remote possibility that both companies will be able to avoid making payment.

### 11 Fixed Assets Restatement Account

This reserve shows the increase in the value of fixed assets as the result of the revaluation of those assets. The balance is written down by the net book value of disposed assets and is debited or credited with decreases or increases arising on revaluations.

	2004/05	2005/06
	£000	£000
Balance 1st April	-24,175	-18,653
Revaluation of assets	7,685	0
Impairment	-1,738	0
Disposal	-425	-5,063
<b>Balance 31st March</b>	<b><u>-18,653</u></b>	<b><u>-23,716</u></b>

## Notes to the Consolidated Balance Sheet (continued)

### 12 Capital Receipts Unapplied (Usable)

	2004/05 £000	2005/06 £000
Balance brought forward 1st April	33,158	44,697
Receipts		
Sale of Council houses	6,936	1,449
Sale of Land and other buildings	447	6,381
Repayment of Loans	274	53
Improvement Grants	35	27
Non-Specified Investments	16,662	5,538
	24,354	13,448
Transfer to Capital Financing Account (note 1) Housing Revenue Account		
Transfer from Capital Financing Reserve Capital Receipts (Set-aside)	2,851	0
Receipts applied during the year	-15,666	-28,700
Balance carried forward 31st March	44,697	29,445
Total movement in year -£15,252		

#### Note 1

Prior to 2004/05, Part (iv) of the Local Government and Housing Act 1989 requires a specified portion of capital receipts to be set aside in this manner. The set aside balance was transferred back in 2005/06

### 13 Capital Financing Account

This account contains the value of capital expenditure financed from capital receipts, grants and revenue, and the amount charged to revenue for depreciation.

2004/05 Restated £000		2005/06 £000
79,166	Balance brought forward 1st April	74,129
	Financing of capital expenditure	
15,666	Capital receipts	28,700
6,088	External contributions & grants	2,889
	Revenue	10
		31599
-2,851	Transfer to usable capital receipts	0
-2,623	Provision for depreciation	-3,317
-20,918	Deferred charges and debtors	-8,036
-399	Commutation adjustment	-323
74,129	Balance 31st March	94,052
	Total movement in year £19,923	

## Notes to the Consolidated Balance Sheet (continued)

### 14 Revenue Reserves

	see page	Balance 1.4.05 £000	Movement £000	Balance 31.3.06 £000
Earmarked reserves				
Collection Fund	23	-234	-412	-646
S106 Agreements		1,247	-335	912
Repairs and Renewals Funds		661	210	871
Underspending Reserve		311	-122	189
Commutated S106 payments reserve		192	809	1,001
Other reserves		153	13	166
		2,330	163	2,493
General Fund Reserve	11	18,460	-358	18,102
		20,790	-195	20,595
Pensions reserve	28	-26,170	-3,200	-29,370

## Statement of Total Movement in Reserves

		2004/05 Restated		2005/06
	Page			
General Fund surplus /deficit (-) for the year	11	220		-358
Movements on earmarked reserves increase/decrease(-)	21	-374		163
Appropriation to/from (-) pensions reserve	11	-584		-1,647
Actuarial gains & losses (-) relating to pensions	29	<u>-16,266</u>		<u>-1,553</u>
<b>Total increase/decrease (-) in revenue resources</b>			-17,004	<b>-3,395</b>
Increase/decrease (-) in usable capital receipts	20	11,539		-15,252
Increase/decrease (-) in unapplied capital grants & contributions	20	<u>-1,516</u>		<u>0</u>
<b>Total increase/decrease (-) in realised capital resources</b>			10,023	<b>-15,252</b>
Gains/losses (-) on revaluation of fixed assets	19	<u>5,947</u>		0
<b>Total increase/decrease (-) in unrealised capital resources</b>			5,947	<b>0</b>
<b>Value of assets sold or disposed of</b>			-425	<b>-5,063</b>
Capital receipts set aside		-4,638		20,236
Commutation transfer	21	-399		-323
Revenue resources set aside		<u>0</u>		<u>10</u>
<b>Total increase/decrease (-) in resources set aside to finance capital</b>	21		-5,037	<b>19,923</b>
<b>Total recognised gains and losses (-)</b>			<u>-6,496</u>	<u>-3,787</u>



## Collection Fund

### Income and Expenditure account

2004/05 £000		note	£000	2005/06 £000
-160	<b>Balance brought forward 1st April</b>			-234
58,909	<b>Council Tax Income</b>	2	61,813	
14	Transfers to/from General Fund		4	
4,690	Council Tax benefits		5,122	
<u>-153</u>	less provision for non-collection	4	<u>-209</u>	66,730
	63,460			
	<b>Less Precepts on the Fund</b>			
-45,578	Cambridgeshire County Council		-47,954	
-7,250	Cambridgeshire Police Authority		-7,684	
-2,582	Cambridgeshire Fire Authority		-2,737	
	Huntingdonshire District Council			
-5,308	General expenses		-5,656	
<u>-2,816</u>	Parish Precepts		<u>-3,111</u>	
	-63,534			-67,142
<u>-234</u>	<b>Deficit attributable to council tax</b>			<u>-646</u>
39,674	<b>NNDR collectable</b>	3	41,002	
-222	less cost of collection		-223	
<u>-39,452</u>	less payment due to National Pool		<u>-40,779</u>	0
	0			
<u>-234</u>	<b>Cumulative Deficit carried forward 31st March</b>			<u>-646</u>

### Notes to the Collection Fund

- 1 These accounts present the movements in the Collection Fund which is a statutory fund separate from the General Fund of the Council. The accounts are however consolidated into the Council's accounts. The accounts have been prepared on an accruals basis.
- 2 (a) Parish and Town Council precepts are transferred to the General Fund before being paid to the Parish or Town Council.  
 (b) Interest is not payable on cash flow transfers between the general fund and collection fund  
 (c) The balance at the year end is distributable between the major precepting bodies in proportion to their respective precepts for 2006/07
- 3 **Precepts and demands**

The following authorities made a precept or demand that was greater than £250k

	2004/05 £000	2005/06 £000
Cambridgeshire County Council	45,578	47,954
Cambridgeshire Police Authority	7,250	7,684
Cambridgeshire Fire Authority	2,582	2,737
St Neots Town Council	458	566
Huntingdon Town Council	460	495
St Ives Town Council	428	453

## Notes to the Collection Fund (continued)

### 4 Council Tax

	2004/05	2005/06
	£000	£000
Base Debit	70,851	74,744
Add MOD contribution	445	472
Deduct Property exemptions	-3,027	-3,284
Disability reductions	-76	-89
Discounts	-4,594	-4,908
Written off	-102	-108
Provision for non-collection	-51	-96
	<u>63,446</u>	<u>66,731</u>

Taxbase at 31st March 2006				
Tax Band	Properties	Exemptions & Discount	Band D Multiplier	Band D Equivalent
A	10,602	1,943	0.67	5,773
B	17,619	2,229	0.78	11,970
C	16,322	1,594	0.89	13,092
D	10,736	910	1.00	9,826
E	7,996	638	1.22	8,993
F	3,268	263	1.44	4,341
G	1,571	118	1.67	2,421
H	135	21	2.00	229
<b>Total</b>	<u>68,249</u>	<u>7,715</u>	<u>0.94</u>	<u>56,645</u>

Council Tax charged per Band D property

	£1,133	£1,184
Actual Taxbase (Band D equivalent)	55,998	56,361
Estimated Taxbase	55,210	56,718

### 5 National Non-Domestic Rates (NNDR)

	2004/05	2005/06	
	£000	£000	£000
NNDR based on uniform business rate	46,250	50,599	
Add adjustment to previous years	-2,324	-2,019	
Less mandatory relief	<u>4,019</u>	<u>6,983</u>	41,597
	39,907		
Discretionary relief	-93	-68	
Add back Charity relief from General Fund	<u>24</u>	<u>17</u>	-51
<b>Net yield</b>	39,838		41,546
<i>Less</i> Collection costs and interest on refunds	-291		-365
Irrecoverables and Provision For Bad Debts	<u>-95</u>		<u>-402</u>
Contribution to National Pool	<u>39,452</u>		<u>40,779</u>

The uniform business rate set by the Government for 2005/06 was 41.5p (2004/05 45.6p). In 2005/06 the Government introduced a surcharge of 0.007p for ratepayers not in receipt of the Small Business Rate Relief.

Total rateable value at 31.3.05 £121.2m

Total rateable value at 31.3.06 £121.5m

### 6 Provision for non-collection

A contribution of £187k was made to the provision for bad debts (2004/05 £95k). During 2005/06, £420k of irrecoverable debts were written off, (2004/05 £167k)

## Cash Flow Statement

	Notes	2004/05 £000	2005/06 £000
<b>Revenue Activities</b>			
<i>Cash outflows</i>			
Employment costs		16,092	19,919
Other operating cash payments		10,659	9,974
Precepts paid out		58,226	61,486
Contribution to NNDR Pool		39,452	40,779
Housing Benefits		16,660	18,543
<i>Cash inflows</i>			
Local Tax Income		-58,679	-61,593
Non-Domestic Rate Receipts		-39,711	-40,638
Non-Domestic Rate Receipts from national pool		-4,674	-3,641
Revenue Support Grant		-4,430	-5,038
DWP Grants for benefits		-21,277	-23,651
Other Government grants		-1,452	-632
Cash received for goods & services		-5,689	-2,184
Other operating receipts	5	-3,483	-5,915
		1,694	7,409
<b>Returns on Investment and Servicing of Finance</b>			
<i>Cash outflows</i>			
Interest paid		83	127
<i>Cash inflows</i>			
Interest received		-3,724	-3,607
		-3,641	-3,734
<b>Capital Activities</b>			
<i>Cash outflows</i>			
Acquisition of fixed assets		12,909	14,349
Other capital cash payments		3,961	2,700
<i>Cash inflows</i>			
Sale of Council Houses		-4,236	-2,796
Sale of other assets		-447	-6,381
Capital grants		-3,531	-2,889
Long Term Investments		-4,963	375
Other capital cash receipts		-1,605	-11,831
		-14,782	-11,831
<b>Net Cash inflow before financing</b>	3	141	9,020
<b>Management of liquid resources</b>			
Net increase/decrease in short term deposits	4	1,495	-8,600
<b>Financing</b>			
<i>Cash outflows</i>			
Finance Leases principal paid		0	0
<i>Cash inflows</i>			
New Loans raised		0	0
		0	0
<b>Decrease in cash and cash equivalents</b>	3	<u>1,636</u>	<u>420</u>



## Notes to the Cash Flow Statement

1 This consolidated statement summarises the inflows and outflows of cash arising from transactions with third parties for revenue and capital purposes.

2 Government Grants	2004/05		2005/06	
	£000		£000	
<i>Revenue Support Grant</i>	4,430		5,038	
<i>Rebate Grants</i>				
Council Tax Benefits	5,068		5,516	
Rent Allowances	16,558	21,626	18,135	23,651
<i>Other</i>				
Oxmoor Scheme	2,663		1,553	
Other capital grants	868		621	
Benefits administration	666		729	
Other	651	4,848	552	3,455
		30,904		32,144
<i>less debtors</i>		214		-66
		30,690		32,210

### 3 Decrease in cash and cash equivalents

	1.4.05	31.3.06	Movement
	£000	£000	£000
Cash in hand and at bank	-1,996	-2,416	-420
Short term borrowing	-2,500	-14,500	-12,000
Short term investments	0	3,400	3,400
Decrease			-9,020

### 4 Analysis of changes in management of liquid resources and financing

	1.4.05	31.3.06	Movement
	£000	£000	£000
Short term borrowing	-2,500	-14,500	-12,000
Short term investments	0	3,400	3,400
Decrease			-8,600

5 Reconciliation with Consolidated Revenue Account	2004/05		2005/06	
	£000		£000	
Net Revenue Activities cash flow inwards	1,694		7,409	
net interest received	-3,866		-3,434	
transfer from capital financing account	-3,022		-3,639	
depreciation	2,623		3,317	
finance lease payments	0		0	
capital expenditure financed from revenue	0		10	
adjustment for stock, debtors and creditors	3,975		-3,468	
provisions made	-1,250		0	
collection fund movements	-74		-413	
contribution to other reserves	-300	-1,914	576	-7,051
Consolidated revenue account net surplus		-220		358



## **Pension Costs, Assets and Liabilities**

This section provides information about the Council's assets, liabilities, income and expenditure related to The Local Government Pension Scheme in relation to its employees.

### **1 Introduction**

This statement is in accordance with Financial Reporting Standard No 17, Retirement Benefits (FRS17), which requires the Council to disclose certain information concerning assets, liabilities, income and expenditure related to pension schemes for its employees.

### **2 The Pension Scheme**

Employees of Huntingdonshire District Council may participate in the Cambridgeshire County Council Pension Fund, part of the Local Government Pension Scheme (LGPS). The fund is administered as a defined benefit scheme by Cambridgeshire County Council in accordance with LGPS Regulations 1997, as amended.

### **3 Revenue cost to Huntingdonshire District Council in 2005/06**

In 2005/06 the Council paid an employer's contribution of £1.39m representing 9.8% of employees' pensionable pay into Cambridgeshire County Council's Pension Fund (£1.1m and 8.3% in 2004/05), which provides scheme members with defined benefits related to pay and service.

### **4 Discretionary Payments**

In addition, the Council has liabilities for discretionary pension payments outside of the main scheme.

These additional payments relating to added years benefits that were awarded, together with the related increases in 2005/06, amounted to £172k representing 1.2% of pensionable pay (£250k and 1.9% in 2004/05).

The capital costs of discretionary increases in pension payments agreed by the authority during 2005/06 were £318,500 (£nil in 2004/05).

### **5 Valuation of Pension Fund**

The contribution rate is determined by the Fund's actuary based on triennial valuations. The rate for 2005/06 was determined on the basis of contribution rates set in the latest formal valuation of the Pension Fund as at 31 March 2004. This valuation concluded that, at that time, the fund was in a position to meet more than 100% of its past service liabilities but that to meet future funding required higher rates of 8.3 % (from 1 April 2004) and 9.8% (from 1 April 2005) to meet estimated liabilities in accordance with Government regulations.

The actuarial report as at the 31 March 2004 specified further increases for subsequent contribution rates. The next formal valuation is due as at 31 March 2007 when contribution rates will again be reviewed.

Due to reduced returns, the new contribution rates are no longer adequate to cover 100% of the liabilities and these notes outline the latest position according to the Fund actuary.

The valuations, for the purposes of FRS17, are based on the latest formal valuation as at 31 March 2004 and rolled forward by Hymans Robertson, the independent actuaries to the County Council Fund. Liabilities are valued using the projected unit method, which assesses the future liabilities of the fund discounted to their present value as at 31 March 2006.

## 6 Assumptions Used for Valuation of the Fund

The main assumptions used in the Pension Fund calculations are as shown below.

County Fund – Main Assumptions	Valuations as at	
	31 March 2005	31 March 2006
- rate of inflation	2.9%	3.1%
- rate of increase in salaries	4.4%	4.6%
- rate of increase in pensions	2.9%	3.1%
- rate of discounting scheme liabilities	5.4%	4.9%

In accordance with CIPFA guidance the discount rate employed (see above) for the 2005/06 financial year is the yield available on long-dated, high quality corporate bonds at the FRS17 valuation date.

It should be noted that if the age profile of the active membership is rising significantly then, under the projected unit method, the current service costs will increase as the members of the scheme approach retirement.

Changes to the Local Government Pension Scheme permit employees retiring on or after 6 April 2006 to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension. On the advice of our actuaries we have taken the view that there is insufficiently reliable evidence to assume a level of take-up of the change in the pension scheme. Consequently the valuation of the Council's retirement benefit liabilities as at 31 March 2006 does not include any allowance for this change to the pension scheme.

## 7 Huntingdonshire District Council's Assets and Liabilities in the Fund

The position is outlined below and takes into account the commitments from discretionary payments outside the main scheme

(£000s)	2004/05	2005/06
Share of assets in County Council Fund	56,574	70,316
Present value of scheme liabilities	-80,087	-96,616
Present value of discretionary pensions	-2,657	-3,070
<b>Net pension liability</b>	<b>-26,170</b>	<b>-29,370</b>

The impact on the Council's assets and liabilities, stated above, has been incorporated in the Council's Financial Accounts.

The net pension liability shows the underlying commitment that the authority has in the long term to pay retirement benefits. Statutory arrangements for funding the deficit mean that employer's pensions contributions will be varied from year to year to meet the liabilities as assessed by the scheme actuary.

## 8 Total County Pension Fund Assets

Assets are valued at fair value, principally market value for investments, and consist of:

	Expected Rate of Return per annum		Proportion of Total Assets held by the Fund	
	31 March 2005	31 March 2006	31 March 2005	31 March 2006
Equity Investments	7.7%	7.4%	78.7%	75.3%
Bonds	4.8%	4.6%	14.0%	12.7%
Property	5.7%	5.5%	8.8%	9.3%
Cash	4.8%	4.6%	3.5%	2.7%
<b>Total Fund Assets</b>	<b>7.0%</b>	<b>6.8%</b>	<b>100%</b>	<b>100%</b>

## 9 Movement in Net Pension Liabilities

The movement in the net pension liabilities for Huntingdonshire District Council is analysed below.

(£000s)	2004/05	2005/06
<b>Deficit as at 1 April</b>	<b>-9,320</b>	<b>-26,170</b>
Current service cost	-2,121	-2,389
Employer Contributions	1,102	1,394
Contributions for Unfunded Benefits	166	196
Past service costs	0	-149
Impact of settlements and curtailments	0	-170
Net return on assets	269	<u>-529</u>
		-1,647
Actuarial gains/losses (-)	-16,266	-1,553
<b>Deficit as at 31 March</b>	<b>-26,170</b>	<b>-29,370</b>

The charge to the Consolidated Revenue Account is reduced by £1,647k appropriation to the pension reserve.

The actual gain/loss can be further analysed as follows.

(£000s)	2004/05	2005/06
Actual return less expected return on pension scheme assets	2,738	10,046
Change in financial assumptions underlying the present value of liabilities	-13,812	-11,481
Experience gains and losses arising on the scheme liabilities	-5,192	-118
<b>Actuarial gain/loss(-) in pension plan</b>	<b>-16,266</b>	<b>-1,553</b>
<b>Actuarial gain/loss(-) as a percentage of net pension liability</b>	<b>62.2%</b>	<b>5.3%</b>

## 10 Disclosure of the effect of the change in discount rate for liabilities

In assessing liabilities for retirement benefits at 31 March 2005 for the 2004/05 Statement of Accounts, the actuary was required by the SORP to use a discount rate of 2.4% real (5.4% actual). For the 2005/06 Statement of Accounts, a rate based on the current rate of return on a high-quality corporate bond of equivalent currency and term is to be used. The actuary has advised that a rate of 1.7% real (4.9% actual) is appropriate. Application of this rate has resulted in an increase in liabilities measured at today's prices of £3.2m,

## 11. Charges to expenditure

Charges to service accounts are based on an appropriate share of current service cost (the increase in future benefits arising from service in the accounting year). Discretionary benefits awarded on early retirement are charged to service accounts as they become payable.

Interest costs and expected return on assets are included within the Consolidated Revenue Account, increasing the net operating expenditure. However, an appropriation to the pensions reserve replaces these entries with the actual employer's contributions paid in the year, meaning that there is no net effect on the General Fund result for the year.

## 12. Further information

Further information about the Pension Fund can be found in Cambridgeshire County Council's Pension Fund Annual Report, which is available on request from the Director of Resources, Cambridgeshire County Council, Shire Hall, Castle Hill, Cambridge, CB3 0AP.



## Auditors Report

To be inserted