
CONSERVATORS OF THE RIVER CAM

ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

CONSERVATORS OF THE RIVER CAM

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CONSERVATORS OF THE RIVER CAM

CONSERVATORS PARTICULARS

Conservators:	Dr R D Walker - Chairman Mr A C G Brown - Deputy Chairman (retired 28 January 2016) Dr D Munday - Deputy Chairman Mr J Macnaghten Prof K Richards Mr M Schofield Ms A Tillson Mr N Arnold Mr A Gosling Councillor C O'Reilly Cllr D Tunnacliffe Ms L Golliday (appointed 28 January 2016) Cllr M McGuire (appointed 30 September 2015)
Clerk:	Mr J Adams Clayhithe Office Clayhithe Road Horningsea Cambridge CB25 9JB
Auditors:	Peters Elworthy & Moore Salisbury House Station Road Cambridge CB1 2LA
Principal Bankers:	Barclays Bank Plc 9/11 St Andrews Street Cambridge CB2 3AA

CONSERVATORS OF THE RIVER CAM

INDEPENDENT AUDITORS' REPORT TO THE CONSERVATORS OF THE RIVER CAM FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of The Conservators of the River Cam for the year ended 31 March 2016 which comprise the Income and Expenditure Account, the Balance Sheet and related notes. These accounts have been prepared under the historic cost convention and the accounting policies set out therein.

This report is made solely to the Conservators, as a body. Our audit work has been undertaken so that we might state to the Conservators those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Conservators' as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Conservators and auditors

The Conservators are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with the applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standard for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of; whether the accounting policies are appropriate to the Conservators circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Conservators; and the overall presentation of the financial statements.

Opinion on financial statements


In our opinion the financial statements:

- give a true and fair view of the state of the Conservators affairs as at 31 March 2016, and its deficit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Matters on which we report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all of the information and explanations we require for our audit.


PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Dated:

18th July 2017

CONSERVATORS OF THE RIVER CAM

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016

Notes	General Fund £	Capital Expenditure Fund £	Repairs & Renewals Fund £	2016 Total £	2015 Total £
Incoming Resources					
Operating Income					
	411,424	-	-	411,424	382,057
	(42,070)	-	-	(42,070)	(45,095)
	369,354	-	-	369,354	336,962
	69,331	-	-	69,331	67,166
	3,916	-	-	3,916	4,789
	15,368	-	-	15,368	14,231
	-	-	-	-	27,460
	676	-	-	676	24,347
	-	-	-	-	4,760
	6,558	-	-	6,558	6,558
5	8,627	-	-	8,627	14,635
	473,830	-	-	473,830	500,908
Investment Income					
	138	-	-	138	152
	1,990	-	-	1,990	1,875
	2,128	-	-	2,128	2,027
Total Incoming Resources	475,958	-	-	475,958	502,935
Resources Expended					
Payroll Costs					
	188,604	-	-	188,604	167,695
	14,863	-	-	14,863	14,047
	37,233	-	-	37,233	29,414
	-	-	-	-	30,000
8	4,000	-	-	4,000	2,000
	244,700	-	-	244,700	243,156
Maintenance and Depreciation					
7	35,403	-	-	35,403	39,719
	9,082	-	-	9,082	7,062
	-	(7,800)	-	(7,800)	-
	-	5,204	-	5,204	5,206
	-	9,145	-	9,145	8,038
	-	4,588	-	4,588	4,588
	-	12,798	-	12,798	12,358
	-	668	-	668	668
	-	11,017	-	11,017	8,244
	44,485	35,620	-	80,105	85,883
Other Running Costs					
	2,260	-	-	2,260	5,665
	1,838	-	-	1,838	1,364
	400	-	-	400	402
	8,311	-	-	8,311	2,859
	16,339	-	-	16,339	33,792
	23,326	-	-	23,326	22,083
	713	-	-	713	3,741
	53,187	-	-	53,187	69,906
Establishment and Finance Costs					
	3,901	-	-	3,901	9,049
	5,509	-	-	5,509	9,169
	5,261	-	-	5,261	5,124
	572	-	-	572	1,852
6	59,041	-	-	59,041	98,553
	4,517	-	-	4,517	3,770
	1,194	-	-	1,194	1,498
	2,634	-	-	2,634	7,565
	1,667	-	-	1,667	1,920
8	10,000	-	-	10,000	7,000
	4,570	-	-	4,570	6,000
	98,866	-	-	98,866	151,500
Total Resources Expended	441,238	35,620	-	476,858	550,445
NET INCOME BEFORE OTHER GAINS AND LOSSES	34,720	(35,620)	-	(900)	(47,510)
Actuarial gains on defined benefit pension schemes	110,000	-	-	110,000	(101,000)
Net Operating (Deficit)/Surplus	144,720	(35,620)	-	109,100	(148,510)
Transfers between funds					
	44,043	-	(44,043)	-	-
	-	403,324	(403,324)	-	-
Net Surplus/(Deficit) for the Year	188,763	367,704	(447,367)	109,100	(148,510)
Fund Balances					
	(286,478)	597,769	447,367	758,658	907,168
	(97,715)	965,473	-	867,758	758,658

The notes on pages 5-10 form part of these accounts

CONSERVATORS OF THE RIVER CAM

BALANCE SHEET
AS AT 31 MARCH 2016

		2016 £	2015 £
Fixed Assets			
Tangible assets	2	965,473	597,769
Current Assets			
Trade debtors	3	21,429	53,132
Prepayments		27,563	28,637
Other debtors		6,152	-
Cash at bank and in hand		217,601	479,080
		<u>272,745</u>	<u>560,849</u>
Current Liabilities			
Deferred income	4	28,698	19,665
Trade creditors		31,794	33,373
Accruals		100,719	51,004
Other creditors		17,249	7,918
		<u>178,460</u>	<u>111,960</u>
Net Current Assets		94,285	448,889
Net Assets Excluding Pension Scheme Liabilities		<u>1,059,758</u>	<u>1,046,658</u>
Scheme Liabilities			
Defined benefit pension scheme liability	8	(192,000)	(288,000)
Net Assets Including Pension Scheme Liabilities		<u>867,758</u>	<u>758,658</u>
Funds			
General fund		(97,715)	(286,478)
Capital expenditure fund		965,473	597,769
Repairs and renewals fund		-	447,367
		<u>867,758</u>	<u>758,658</u>

Approved on behalf of the Conservators:

R. J. Walker

Dated: 27 April 2017

The notes on pages 5-10 form part of these accounts.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Depreciation

Depreciation is provided to write off the cost of tangible fixed assets, other than freehold land, over their estimated useful lives by annual instalments at the following rates:

Freehold Buildings and Improvements	2.5% on cost
Locks	3% on cost
Plant and Equipment	10% on cost
Furniture & Fittings	10% on cost
Motor Vehicles	25% on cost
Weedharvester and work boat	Over the remaining life the asset
River Management	20% on cost

Taxation

The Conservators of the River Cam is not subject to Corporation Tax.

Pensions

The Conservators of the River Cam contributes to a defined benefit scheme operated by Cambridgeshire County Council, the assets are held separately in trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Income and Expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Capital Expenditure Fund

The Conservators have established a Capital Expenditure Fund to absorb the depreciation charges derived from historic capital costs.

Repairs and Renewals Fund

The Conservators have established a Repairs and Renewals Fund to provide for the future replacement costs of fixed assets.

CONSERVATORS OF THE RIVER CAM

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. TANGIBLE FIXED ASSETS

	Freehold Property £	Property Improvements £	Locks £	Plant & Equipment £	Motor Vehicles £	Fixtures & Fittings £
Cost						
As at 1st April 2015	250,324	321,515	314,437	260,055	27,494	6,679
Additions	-	13,308	-	39,824	-	-
Disposals	-	-	-	(17,413)	(3,644)	-
As at 31st March 2016	250,324	334,823	314,437	282,466	23,850	6,679
Depreciation						
As at 1st April 2015	153,383	33,569	196,267	201,848	27,494	1,262
Charged for year	5,204	9,145	4,588	12,798	-	668
On disposals	-	-	-	(17,413)	(3,644)	-
As at 31st March 2016	158,587	42,714	200,855	197,233	23,850	1,930
Net Book Value						
As at 31st March 2015	96,941	287,946	118,170	58,207	-	5,417
As at 31st March 2016	91,737	292,109	113,582	85,233	-	4,749

	River Management £	Assets Under Construction £	Total £
Cost			
As at 1st April 2015	41,222	15,121	1,236,847
Additions	13,863	344,128	411,123
Disposals	-	-	(21,057)
As at 31st March 2016	55,085	359,249	1,626,913
Depreciation			
As at 1st April 2015	25,254	-	639,078
Charged for year	11,016	-	43,419
On disposals	-	-	(21,057)
As at 31st March 2016	36,270	-	661,440
Net Book Value			
As at 31st March 2015	15,968	15,121	597,769
As at 31st March 2016	18,815	359,249	965,473

The freehold buildings were valued at £2,000,000 in February 2013

Included within River Management are Coir Rolls which provide a cost effective method of introducing marginal habitat to artificially lined lakes, rivers and canals. They are being written off over their useful life of 5 years.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

3. TRADE DEBTORS

	2016	2015
	£	£
Registration fees	15,532	18,844
Environment Agency	3,532	3,985
Cambridge City Council	8,886	37,217
Bad Debt Provision	<u>(6,522)</u>	<u>(6,914)</u>
	<u><u>21,429</u></u>	<u><u>53,132</u></u>

4. DEFERRED INCOME

	2016	2015
	£	£
Registration fees received in advance	<u>28,698</u>	<u>19,665</u>
	<u><u>28,698</u></u>	<u><u>19,665</u></u>

5. SUNDRY INCOME AND WORK DONE

	2016	2015
	£	£
Costs recharged	-	8,001
Other	<u>8,627</u>	<u>6,634</u>
	<u><u>8,627</u></u>	<u><u>14,635</u></u>

6. LEGAL AND PROFESSIONAL FEES

	2016	2015
	£	£
Legal, surveyors and professional fees	48,393	94,523
Audit, accountancy and VAT advice	<u>10,648</u>	<u>4,030</u>
	<u><u>59,041</u></u>	<u><u>98,553</u></u>

Further analysis of legal costs:

Punt enforcement	15,083	52,685
Registrations	15,614	5,168
Byelaw enforcement	1,009	-
Other legal costs	35	3,056
Management consultancy	630	17,500
Human resources consultancy	-	8,612
Redundancy advice	-	2,508
Property fees	16,023	3,978
Clayhithe building survey	<u>-</u>	<u>1,016</u>
	<u><u>48,393</u></u>	<u><u>94,523</u></u>

7. REPAIRS AND MAINTENANCE

	2016	2015
	£	£
Pollarding	14,568	19,440
General maintenance costs	<u>20,835</u>	<u>20,279</u>
	<u><u>35,403</u></u>	<u><u>39,719</u></u>

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

8. PENSION COMMITMENTS

The Conservators of the River Cam is a member of a multi-employer defined benefit Local Government pension scheme. Pension costs in the year amounted to £41,233 (2015 - £31,414).

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The following information is based upon a full actuarial valuation of the fund at 31 March 2013, updated to 31 March 2016 by a qualified independent actuary.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2016 % p.a	2015 % p.a
Discount rate	3.60%	3.30%
Salary increase rate	4.20%	4.40%
Pension increase rate	2.20%	2.50%

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2010 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Male years	Female years
Current pensioners	22.5	24.5
Future pensioners*	24.4	26.9

* Figures assume members aged 45 as at the last formal valuation date.

The amounts recognised in the balance sheet as at 31 March 2016 are as follows

	2016 £	2015 £
Market value of plan assets	883,000	868,000
Present value of plan liabilities	(1,075,000)	(1,156,000)
Total market value of assets	<u>(192,000)</u>	<u>(288,000)</u>

The amounts recognised in the Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	4,000	2,000
Net interest cost	10,000	7,000
	<u>14,000</u>	<u>9,000</u>

The amounts recognised in other gains and losses are as follows:

	2016 £	2015 £
Changes in financial assumptions	156,000	(162,000)
Return on assets excluding amounts included in net interest	(46,000)	61,000
Actuarial gain/(loss)	<u>110,000</u>	<u>(101,000)</u>

CONSERVATORS OF THE RIVER CAM

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016**

8. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2016	2015
	£	£
Opening defined benefit obligation	1,156,000	919,000
Interest cost on defined benefit obligations	39,000	40,000
Contributions by scheme participants	7,000	7,000
Actuarial (gains)/losses	(156,000)	162,000
Current service cost	32,000	31,000
Benefits paid	(3,000)	(3,000)
Closing defined benefit obligation	<u>1,075,000</u>	<u>1,156,000</u>

Changes in the fair value of scheme assets were as follows:

	2016	2015
	£	£
Opening fair value of scheme assets	868,000	741,000
Return on assets	29,000	33,000
Actuarial (gains)/losses	(46,000)	61,000
Contributions by employer	28,000	29,000
Contributions by scheme participants	7,000	7,000
Benefits paid	(3,000)	(3,000)
Closing fair value of scheme assets	<u>883,000</u>	<u>868,000</u>

The expected employer contributions for the year ended 31 March 2017 are £39,000.

	2016	2015
Equities	74%	75%
Bonds	15%	15%
Property	8%	7%
Cash	3%	3%

The actuary estimates the bid value of the fund's assets as at 31 March 2016 to be £2,272,000 based on information provided by the Administering Authority.

Movements in the deficit in the year ending 31 March 2016 are as follows:

	2016	2015
	£	£
Deficit in scheme at beginning of the year	(288,000)	(178,000)
Recognised in income and expenditure	(14,000)	(9,000)
Actuarial gain/(loss) recognised in other comprehensive income	110,000	(101,000)
	<u>(192,000)</u>	<u>(288,000)</u>

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

9. PRIOR YEAR ADJUSTMENT

This is the first year the accounts have included the defined benefit pension scheme liability therefore a prior year adjustment has been made. The new accounting policy has been applied in preparing the comparative March 2015 and the opening financial position at 1 April 2014 resulting in a restatement of these figures.

A reconciliation of opening balances is provided here:

	2015
	£
Deficit for the year as previously stated	(38,510)
Defined benefit pension adjustments	
- payroll costs	(2,000)
- net finance costs	(7,000)
- actuarial loss on defined benefit pension scheme	(101,000)
Net operating deficit as restated	<u>(148,510)</u>

Reconciliation of reserves

	1 April 2014	31 March 2015
	£	£
Reserve balances as previously stated	1,085,168	1,046,658
Pension adjustments	(178,000)	(288,000)
Reserve balances restated	<u>907,168</u>	<u>758,658</u>