
CONSERVATORS OF THE RIVER CAM

**ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

CONSERVATORS OF THE RIVER CAM

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CONSERVATORS OF THE RIVER CAM

CONSERVATORS PARTICULARS

Conservators:	Cambridge University Mr S Morris Mr G Greenfield Mr R Turnill Cambridge City Council Dr M Block Miss C S Hurst Mr A Storer Cllr K Thornburrow Mr T Wotherspoon Cllr R Swift Cllr D Levien Cambridgeshire County Council Cllr A Bradnam Environment Agency Mr P Separvic Mr S Judge
Clerk:	Tracy Yarrow 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 2023

OPINION

We have audited the financial statements of Conservators of the River Cam for the year ended 31 March 2023 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Conservancy's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Conservancy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Conservators' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Conservancy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Conservators with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The Conservators are responsible for the other information. The other information comprises the information included in the Accounts document, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CONSERVATORS OF THE RIVER CAM

INDEPENDENT AUDITORS' REPORT TO THE CONSERVATORS OF THE RIVER CAM FOR THE YEAR ENDED 31 MARCH 2023

MATTERS ON WHICH WE ARE REQUIRED TO 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:

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

RESPONSIBILITIES OF THE CONSERVATORS

The Conservators are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Conservators determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Conservators are responsible for assessing the Conservancy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Conservators either intend to liquidate the Conservancy or to cease operations, or have no realistic alternative to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Audit procedures performed by the engagement team to identify and assess the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, were as follows:

- Identification of the laws and regulations which were significant in the context of the Conservancy through discussions with Conservators and other management, and from our commercial knowledge and experience.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements, including FRS102 and the River Cam Conservancy Act 1922.
- We obtained an understanding of the Conservancy's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.

We assessed the susceptibility of the Conservancy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected or alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We discussed among the engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

CONSERVATORS OF THE RIVER CAM

INDEPENDENT AUDITORS' REPORT TO THE CONSERVATORS OF THE RIVER CAM FOR THE YEAR ENDED 31 MARCH 2023

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In assessing the risk of fraud through management bias and override of controls, we:

- Tested the appropriateness of journal entries and other adjustments.
- Designed procedures to identify unexpected and unusual journal entries and performed testing to confirm the validity of such postings.
- Assessed whether the significant accounting judgements and estimates made in the financial statements, as detailed in the principal accounting policies, were indicative of potential bias.
- Evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business.

In response to the risk of irregularities and non-compliance with laws and regularities, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation.
- Reading the minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Conservators and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

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 Auditors' 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 Conservancy, as a body, for our audit work, for this report, or for the opinions we have formed.

PETERS ELWORTHY & MOORE
Chartered Accountants and Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date:

CONSERVATORS OF THE RIVER CAM

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

Notes	General Fund £	Permissive Path Fund £	Capital Asset Fund £	Capital Asset Maintenance Fund £	Investment Fund £	2023 Total £	2022 Total £
Incoming Resources							
Operating Income							
Registration Fees	583,129	-	-	-	-	583,129	470,051
Environment Agency - Anglian Pass	12,032	-	-	-	-	12,032	8,236
	595,161	-	-	-	-	595,161	478,287
Rents (gross)	29,026	-	-	-	-	29,026	28,642
Event Licences	12,107	-	-	-	-	12,107	12,001
Section 15 consent fees	31,957	-	-	-	-	31,957	25,782
Portoon licences	50,185	-	-	-	-	50,185	44,170
Late fees	161	-	-	-	-	161	-
Easement fees	-	-	-	-	-	-	45,001
Permissive Path	-	-	-	-	-	-	80,000
Equipment hire	3,145	-	-	-	-	3,145	870
Sundry Income	3,324	-	-	-	-	3,324	4,218
Sales of property	-	-	-	-	-	-	525,206
	725,046	-	-	-	-	725,046	1,244,177
Investment Income							
Bank interest	2,055	-	-	-	-	2,055	169
Investment Income	2,055	-	-	41,550	-	43,605	2,770
	2,055	-	-	41,550	-	43,605	2,939
Third party maintenance works							
Sub-contract income	1,155,175	-	-	-	-	1,155,175	115,908
EA sub-contract income	124,017	-	-	-	-	124,017	94,198
	1,279,192	-	-	-	-	1,279,192	210,106
Total Incoming Resources	2,008,293	-	-	41,550	-	2,047,843	1,457,222
Resources Expended							
Payroll Costs							
Salaries	179,147	-	-	-	-	179,147	218,141
Employers' National Insurance	19,166	-	-	-	-	19,166	20,854
Superannuation costs	16,757	-	-	-	-	16,757	21,250
Operating costs of defined pension benefit schemes	-	-	-	-	-	-	20,000
	215,070	-	-	-	-	215,070	280,045
Maintenance							
Repairs and maintenance	281,735	-	-	-	-	281,735	157,317
Vehicle costs	14,290	-	-	-	-	14,290	14,301
	296,025	-	-	-	-	296,025	171,618
Other Running Costs							
Sub contract / Rechargeable Expenses	1,160,620	-	-	-	-	1,160,620	169,618
Rent and rates	2,322	-	-	-	-	2,322	-
Electricity and gas	7,494	-	-	-	-	7,494	6,254
Water	269	-	-	-	-	269	227
Rental property costs	17,703	-	-	-	-	17,703	13,758
Insurance	27,224	-	-	-	-	27,224	33,998
Consultancy	-	-	-	-	-	-	24,000
Training & employee costs	6,878	-	-	-	-	6,878	1,359
	1,222,510	-	-	-	-	1,222,510	249,214
Establishment and Finance Costs							
Printing, postage and stationery	3,899	-	-	-	-	3,899	3,087
Telephone & internet	5,468	-	-	-	-	5,468	5,537
IT costs	4,491	-	-	-	-	4,491	8,037
Legal and professional fees	49,503	-	-	-	-	49,503	92,867
HR & recruitment costs	5,317	-	-	-	-	5,317	11,355
Subscriptions	191	-	-	-	-	191	191
Travelling and room hire	1,871	-	-	-	-	1,871	746
Health & safety and compliance	421	-	-	-	-	421	1,258
Other office costs	5,261	-	-	-	-	5,261	5,291
Bank charges and interest	2,381	-	-	-	-	2,381	1,140
Investment manager fees	-	-	-	1,499	-	1,499	-
Net pension finance costs	-	-	-	-	-	-	17,000
Bad debts	7,769	-	-	-	-	7,769	21,534
	66,572	-	-	1,499	-	69,071	168,043
Total Resources Expended	1,820,177	-	-	1,499	-	1,821,676	868,920
Depreciation / disposal of assets							
Freehold property depreciation	-	-	7,504	-	-	7,504	9,363
Property improvement depreciation	-	-	9,913	-	-	9,913	9,971
Lock depreciation	-	-	9,456	-	-	9,456	9,456
Plant and equipment depreciation	-	-	34,883	-	-	34,883	29,103
Motor vehicle depreciation	-	-	3,750	-	-	3,750	3,750
Furniture and fittings depreciation	-	-	(12)	-	-	(12)	229
River management depreciation	-	-	-	-	-	-	-
Disposal of assets	-	-	9,545	-	-	9,545	-
	-	-	75,039	-	-	75,039	61,572
Total resources expended including depreciation	1,820,177	-	75,039	1,499	-	1,896,715	930,492
Net Income before other gains and losses	186,116	-	(75,039)	40,051	-	151,128	526,730
Actuarial (losses)/gains on defined benefit pension schemes							
Net unrealised gains on properties	22,500	-	-	-	-	22,500	700,288
Net unrealised losses on investments	(155,306)	-	-	-	-	(155,306)	(9,264)
Net Operating Surplus/(Deficit)	53,310	-	(75,039)	40,051	-	18,322	1,002,754
Transfers between funds							
Adjustment for actual expenditure	204,350	(8,000)	-	453,218	(649,568)	-	-
Transfer of properties to investment properties	-	-	74,373	(74,373)	-	-	-
Net Surplus/(Deficit) for the Year	257,660	(8,000)	(660)	416,896	(649,568)	18,322	1,002,754
Fund Balances							
Brought forward	(257,660)	80,000	873,814	92,915	2,060,001	2,849,070	1,846,316
Carried forward	-	72,000	873,148	511,811	1,410,433	2,867,392	2,849,070

The notes on pages 7-13 form part of these accounts.

CONSERVATORS OF THE RIVER CAM

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Notes	2023 £	2022 £
Fixed Assets			
Tangible assets	6	873,148	873,814
Investments	7	840,271	991,736
Investment properties	7	747,500	725,000
Current Assets			
Trade debtors	8	149,577	9,822
Prepayments		70,598	4,385
Accrued income		8,246	
Cash at bank and in hand		1,082,104	1,011,357
		<u>1,310,525</u>	<u>1,025,564</u>
Current Liabilities			
Deferred income	9	152,443	174,110
Trade creditors		196,821	5,991
Accruals		122,486	49,033
Other creditors		4,302	2,910
Pension scheme liability	13	39,474	-
		<u>515,526</u>	<u>232,044</u>
Net Current Assets		794,999	793,520
Total Assets less Current Liabilities		3,255,918	3,384,070
Creditors: amounts falling due after more than one year			
Pension scheme liability	13	388,526	
Net Assets Excluding Pension Scheme Liabilities		2,867,392	3,384,070
Defined benefit pension scheme liability	13	-	(535,000)
Net Assets Including Pension Scheme Liabilities		2,867,392	2,849,070
Funds			
General fund	12	-	277,340
Designated pension fund	12	-	(535,000)
Permissive path fund	12	72,000	80,000
Capital asset fund	12	873,148	873,814
Capital asset maintenance fund	12	511,811	92,915
Investment fund	12	1,410,433	2,060,001
		<u>2,867,392</u>	<u>2,849,070</u>

Approved on behalf of the Conservators:



Cllr A Bradnam - Chair

Date: 06/03/2024

The notes on pages 7-13 form part of these accounts.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Going concern

Management have prepared cash flow forecasts up to March 2026 and performed scenario planning based on future business models and forecast spend. The Conservators have scrutinised the forecasts and based on their review, the Conservators believe the Conservancy will have sufficient resources to meet its liabilities as they fall due for the foreseeable future through the utilisation of designated investment funds to support the operating position.

Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Conservancy and it can be reliably measured.

Registration fees and associated income are recognised over the period of the licence.

Section 15 consent fees are recognised when the application for consent is approved.

Other income relating to the management of the river is recognised at the point the service is delivered.

Rental income is recognised over the period to which it relates.

Sub-contract income is recognised when a service has been delivered.

Investment income is recognised in the period to which it relates.

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% - 2.5%
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 of the asset
River Management	20% on cost

Taxation

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

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment.

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

Pensions

The Conservators of the River Cam contributed to a defined benefit scheme operated by Cambridgeshire County Council up until the year ended 31 March 2022, the assets are held separately in trustee administered funds. A cessation event arose during the year ending 31 March 2022 which crystallised the liability.

Until the cessation event, 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.

Following the crystallisation of the liability, the amounts due to the Local Government Pension Scheme are measured at amortised cost using the effective interest rate method.

The Conservators of the River Cam offer a defined contribution pension scheme. The contributions are recognised as an expense in the Income and Expenditure account. Once the contributions have been paid, the Conservancy has no further payment obligations. The assets of the plan are held separately from the Conservancy in independently administered funds.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

2. REGISTRATION FEES

	2023	2022
	£	£
Received in year	583,129	470,051
Historic registrations less deferred registrations	-	-
	583,129	470,051

3. SUB CONTRACT CONTRIBUTION

	2023	2022
	£	£
Sub-contract income	1,155,175	115,908
EA projects	124,017	94,198
Expenditure incurred by sub-contractor	(1,160,620)	(169,618)
Net contribution received by Conservancy	118,572	40,488

Conservators of the River Cam is an authorised service provider for the Environmental Agency (EA). It manages works on behalf of the EA and uses a sub-contractor to undertake the work via a service level agreement. The net contribution to the Conservancy earned in respect of the management of the works is £118,572 (2022 - £40,488).

4. REPAIRS AND MAINTENANCE

	2023	2022
	£	£
	281,735	157,317

5. LEGAL AND PROFESSIONAL FEES

	2023	2022
	£	£
Legal, surveyors and professional fees	22,915	64,298
Audit and accountancy fee - current year	17,730	15,840
Management accountancy fees	7,931	7,931
Debt collection fees	927	4,798
	49,503	92,867

Further analysis of legal costs:

	2023	2022
Other legal costs	18,655	57,661
Property legal advice	4,260	6,637
	22,915	64,298

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

6. TANGIBLE FIXED ASSETS

	Freehold Property £	Property Improvements £	Locks £	Plant & Equipment £	Motor Vehicles £	Fixtures & Fittings £	Total £
Cost							
As at 1st April 2022	375,235	355,855	315,191	521,876	30,850	2,290	1,601,297
Additions	-	5,256	-	68,896	-	221	74,373
Disposals	-	(6,793)	-	(16,076)	-	-	(22,869)
As at 31st March 2023	<u>375,235</u>	<u>354,318</u>	<u>315,191</u>	<u>574,696</u>	<u>30,850</u>	<u>2,511</u>	<u>1,652,801</u>
Depreciation							
As at 1st April 2022	44,762	101,466	238,089	315,607	25,850	1,709	727,483
Charged for year	7,505	9,913	9,456	34,883	3,750	(12)	65,495
On disposals	-	(340)	-	(12,985)	-	-	(13,325)
As at 31st March 2023	<u>52,267</u>	<u>111,039</u>	<u>247,545</u>	<u>337,505</u>	<u>29,600</u>	<u>1,697</u>	<u>779,653</u>
Net Book Value							
As at 31st March 2022	<u>330,473</u>	<u>254,389</u>	<u>77,102</u>	<u>206,269</u>	<u>5,000</u>	<u>581</u>	<u>873,814</u>
As at 31st March 2023	<u>322,968</u>	<u>243,279</u>	<u>67,646</u>	<u>237,181</u>	<u>1,250</u>	<u>814</u>	<u>873,148</u>

7. FIXED ASSET INVESTMENTS

	Listed Investments £	Cash at brokers	Investment properties	Total £
Cost or valuation				
At 1 April 2022	988,483	3,253	725,000	1,716,736
Additions	99,999	-	-	99,999
Disposals	(99,892)	-	-	(99,892)
Revaluations	(155,078)	-	22,500	(132,578)
Movement in cash	-	3,506	-	3,506
Transfer from fixed assets	-	-	-	-
As at 31 March 2023	<u>833,512</u>	<u>6,759</u>	<u>747,500</u>	<u>1,587,771</u>
Net Book Value				
As at 31st March 2022	<u>988,483</u>	<u>3,253</u>	<u>725,000</u>	<u>1,716,736</u>
As at 31st March 2023	<u>833,512</u>	<u>6,759</u>	<u>747,500</u>	<u>1,587,771</u>

Due to the limitation on investment powers contained in Section XXIV of the River Cam Navigation Act 1851, the Conservancy has chosen to hold its investments in open-ended property funds, where they continue to own an equitable interest in real property. All the fixed asset investments are held in the UK and carried at their fair value, namely the bid price or the NAV value of the funds. Asset sales and purchases are recognised at the date of trade at cost (that is transaction value). The significance of financial instruments to the ongoing financial sustainability of the Conservancy is considered by the Conservators in establishing their investment policy. The main risk to the Conservancy from financial instruments lies in the combination of uncertain investment markets and volatility in yield. While it is accepted that investment in open-ended property funds involves a greater liquidity risk than investment in other financial instruments, the Conservancy is constrained by the limitations contained in the 1851 Act, and the liquidity risk is regarded as lower than direct investment in real property. The Conservancy has no material investment holdings in markets subject to exchange controls. The Conservancy manages its investment risks by the use of advisors, and, within the constraints of the 1851 Act, operates a balanced investment policy. The Conservancy does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield and total return, and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

Investment properties represents assets previously owned by the Conservancy for operations of the Conservancy. The properties are let to third parties and therefore the Conservancy earn a return on the investment. As such, these are now classified as investment properties which are held at their fair value.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

8. TRADE DEBTORS

	2023	2022
	£	£
Registration fees	171,631	35,537
Environment Agency	1,440	1,440
Bad Debt Provision	(23,494)	(27,155)
	<u>149,577</u>	<u>9,822</u>

9. DEFERRED INCOME

	2023	2022
	£	£
Registration fees received in advance	149,476	171,633
Rents received in advance	1,776	2,039
Event Fees	1,191	438
	<u>152,443</u>	<u>174,110</u>

10. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2023 the Conservancy had future minimum lease payments under non-cancellable operating leases as follows:

OTHER	2023	2022
	£	£
Not later than 1 year	1,152	1,152
Later than 1 year and not later than 5 years	-	1,152
	<u>1,152</u>	<u>2,304</u>

11. CAPITAL COMMITMENTS

At 31 March 2023 the Conservancy had no capital commitments.

12. RESERVES

General fund

The general fund includes all current and prior period operational retained profit and losses incorporating amounts set aside for the settlement of the defined benefit pension scheme.

Permissive path fund

The permissive path funds represents funds received up front for maintenance work the Conservancy will undertake on a third party's behalf for a period of 10 years.

Capital asset fund

The capital expenditure fund represents accumulated amounts expended on fixed assets less depreciation. The adjustment in the year represents additions to fixed assets purchased in the year. The operational fixed assets are required to be maintained in order for the Conservancy to continue its operations.

Capital asset maintenance fund

The repairs and renewals fund is a reserve designated for future capital spend and repairs to the assets the Conservancy are required to maintain.

Investment fund

The fund represents investments held by the Conservators and monies set aside for future investments. The income generated from this fund is used to supplement capital asset maintenance.

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

13. PENSION COMMITMENTS

The Conservancy offers a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charges represents pension contributions payable by the Conservancy to the fund and amounts to £16,757.

The Conservators of the River Cam is a member of a multi-employer defined benefit Local Government pension scheme.

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 the Final Cessation Valuation report in January 2022 by a qualified independent actuary. During the year the Conservancy has transferred the value of fund and realised a liability which has an agreed payment plan over 10 years.

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

	2023 % p.a	2022 % p.a
Discount rate		1.50%
Salary increase rate		3.20%
Pension increase rate		2.60%

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 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Male years	Female years
Current pensioners	-	-
Future pensioners*	-	-

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

The amounts recognised in the balance sheet as at 31 March 2023 are as follows

	2023 £	2022 £
Market value of plan assets	-	1,533,000
Present value of plan liabilities	-	(2,068,000)
Total market value of assets	<u>-</u>	<u>(535,000)</u>

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

	2023 £	2022 £
Current service cost (net of employee contributions)	-	20,000
Net interest cost	-	17,000
	<u>-</u>	<u>37,000</u>

CONSERVATORS OF THE RIVER CAM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

13. PENSION COMMITMENTS (continued)

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

	2023	2022
	£	£
Changes in financial assumptions	-	(338,000)
Return on assets excluding amounts included in net interest	-	295,000
Crystallisation of cessation event	-	(173,000)
Actuarial gain/(loss)	<u>-</u>	<u>(216,000)</u>

Movements in the deficit in the year ending 31 March 2023 are as follows:

	2023	2022
	£	£
Deficit in scheme at beginning of the year	(535,000)	(282,000)
Recognised in income and expenditure	-	(37,000)
Actuarial gain/(loss) recognised in other comprehensive income	-	(216,000)
Reversal of deficit on crystallisation	535,000	-
Liability arising on crystallisation	(535,000)	-
Payments made during the year	107,000	-
Transfer to creditors due within one year	39,474	-
Transfer to creditors due in more than one year	388,526	-
Pension liability	<u>-</u>	<u>(535,000)</u>

14. RELATED PARTY TRANSACTIONS

Owing to the nature of the Conservancy's operations and the composition of the Board of Conservators, it is inevitable that transactions will take place with organisations in which a member of the Board has an interest. All transactions involving organisations in which a Conservator may have an interest are conducted at arm's length and in accordance with the Conservancy's normal procedures.

