

NORTH YORKSHIRE PENSION FUND

**Annual Report and Accounts
for the Year Ended
31 MARCH 2005**

North Yorkshire County Council
Financial Services

CONTENTS

Management Structure	3
PART A. ADMINISTRATION REPORT	
1. Report of the Pension Fund Committee	4
2. Management Report	
(a) Introduction	8
(b) Actuarial Valuation	9
(c) Employer Contributions	11
(d) Administrative Arrangements	13
PART B. INVESTMENT REPORT	
1. Investment Policy	
(a) Regulations	14
(b) Investment Management arrangements	15
(c) Custody of Investments	17
2. Performance of the Fund	18
PART C. FINANCIAL REPORT	19
PART D. AUDITOR'S REPORT	25
PART E. SCHEME BENEFITS	26
PART F. STATEMENT OF PENSION FUND COMMITTEE RESPONSIBILITIES	29
PART G. COMPLIANCE STATEMENT	30
Appendix 1 Membership Statistics	31
Appendix 2 Certificate of Actuary - Rates and Adjustments Certificate	32

MANAGEMENT STRUCTURE

Administering Authority:-	North Yorkshire County Council
Pension Fund Committee Members as at 31 March 2005	D J Ashton J Clark Mrs M-A de Courcey-Bayley T Randerson J W Marshall J K Weighell H Swiers A J Jenkins (appointed by the North Yorkshire Branch of the Association of District Councils) Q Macdonald, City of York Council
Investment Adviser:-	Philip Williams
Fund Managers:-	Baillie Gifford & Co Barclays Global Investors Henderson Global Investors Standard Life Investments Hermes Focus Asset Management Ltd Northern Venture Managers Ltd Yorkshire Fund Managers
Legal Services	Head of Legal Services North Yorkshire County Council Hammond Suddards Edge
Auditor	Audit Commission
Banker	Barclays Bank Plc
Custodian for Fund Assets: (+ fund accounting and performance measurement)	J P Morgan Worldwide Securities Services
Shareholder Voting Advisor	Pensions Investment Research Consultants Ltd

PART A - ADMINISTRATION REPORT

1. REPORT OF THE PENSION FUND COMMITTEE

INTRODUCTION

The County Council is the administering authority for the North Yorkshire Pension Fund, and these responsibilities are fulfilled by the Pension Fund Committee (PFC).

The Committee meets six times a year as a minimum, with additional meetings arranged where necessary. The Committee receives professional advice from its independent Investment Adviser, Mr. P Williams, as well as the Treasurer.

INVESTMENT STRATEGY REVIEW

The PFC recognised at its meeting in February 2004 that since:

- the Committee had to produce a Funding Strategy Statement (FSS) by 1 April 2005
- the results of the Triennial Actuarial Valuation as at 31 March 2004 would be due during 2004/05, with the assumptions made by the Actuary due to have a major impact on the contribution rates applicable with effect from 1 April 2005
- the investment benchmark was due to be reviewed by 31 March 2004
- the Statement of Investment Principles (SIP) needed reviewing
- the results of a "cash flow" study were available

it would be a worthwhile exercise to hold a series of workshops to examine all aspects of the Investment Strategy.

The workshops were held at County Hall and the Marriott Hotel, York, with presentations and discussions on the following topics:

- | | | |
|--------------|---------------------|---|
| 5 April 2004 | Workshop I | Linkages between Investment Strategy and other aspects of the management of the Fund eg Actuarial Valuation, Employer Contribution Rates, the requirement to produce a Funding Strategy Statement |
| 27 May 2004 | Workshop II | Preliminary results of the Triennial Actuarial Valuation in the context of: <ul style="list-style-type: none">- impact on employer contribution rates- impact on Investment Strategy These impacts were explored against different actuarial assumptions |
| 15 July 2004 | Workshop III | Using a proprietary modelling package, representatives of Mercer's, the Fund's Actuary, explored with Members |

the impacts on potential investment returns for various asset classes of likely economic scenarios. The concept of risk budgeting was introduced, together with the concept of relative performance contribution from asset allocation as opposed to fund manager performance.

6 Dec. 2004 **Workshop IV**

Received a report from Mercers regarding the conclusions of their review of the existing Investment Strategy and the options for going forward, given the results of the Triennial Valuation.

Workshop IV left the Committee with the following issues to be addressed and resolved in 2005/06 as part of the ongoing review of the Fund's Investment Strategy:

- (a) allocation of the risk budget to various asset classes
- (b) review of benchmark or performance mandate to be applied to each asset class identified in (a)
- (c) determination of appropriate fund manager mix to deliver (b)
- (d) review of current fund manager performance/style/philosophy, etc, against specification derived in (c)
- (e) depending on the outcome of (d) a fund manager tender/selection process
- (f) review of the Statement of Investment Principles
- (g) finalising the Funding Strategy Statement

In addition there was an Employers' Consultation on 25 October 2004, to discuss:

- Funding Strategy Statement-principles
- 2004 Triennial Valuation results- led by Chris Hull (FIA) from Mercers
- Funding Strategy Statement- key issues for employers, and the impact of alternative investment strategies

FUND MANAGER SELECTION

In relation to (d) above Committee agreed that a fund manager selection process should be set in motion, to appoint a fixed income manager. This would involve the transfer of the fixed income assets from the current global balanced mandates to the new manager. The early part of the process took place in the remainder of 2004/05, viz:

17 December 2004 Issue of Official Journal of the European Union (**OJEU**) notice

24 January 2005 Last day for receipt of **requests to participate**. **37** were received by the due date.

10 February 2005 A list of **10** of the applicants were chosen by officers of NYCC together with the independent investment adviser, Philip Williams, to be **invited to tender**. This list was agreed by a Selection Panel (of four Members of the Committee) on 24 February.

The last date for the receipt of tenders was 7 April 2005. The final outcome of this process will be reported in the Annual Report for 2005/06.

FUNDING STRATEGY STATEMENT

On 11 March 2004 the ODPM stipulated that Local Authority pension funds must produce and maintain a Funding Strategy Statement (FSS), this requirement now being embodied in the LGPS Regulations. The first one had to be ready by 31 March 2005. The North Yorkshire Pension Fund FSS was agreed at the PFC meeting on 24 February 2005, and can be found on the North Yorkshire Pension Fund website, www.nynet.org.uk/pensionfund

STATEMENT OF INVESTMENT PRINCIPLES

The Statement of Investment Principles (SIP) received its annual update which was agreed by Committee on **29 April 2004**. The amendments took account of:

- the LGPS (Management & Investment of Funds) (Amendment) Regulations 2003
- the launch of the European Governance Principles (March 2004)
- the appointment of J P Morgan as performance measurers for the Fund

The most recent SIP is available on www.nynet.org.uk/pensionfund.

TRIENNIAL ACTUARIAL VALUATION

During the year the Triennial Actuarial Valuation based on the Fund position as at 31 March 2004 was produced, which establishes the contribution rates payable by employers from 1 April 2005.

The Actuary indicated that the Fund's assets at that date of £766m represented around 59.4% of the Fund's liabilities. For the Fund as a whole, and for most individual employers, **a longer deficit recovery period of 30 years** was established. A few employers took advantage of the '**controlled flexibility**' policy that was permitted by the Pension Fund Committee and chose either a shorter deficit recovery period than 30 years, or a bespoke investment strategy specifically assigned to the particular employer.

The Triennial Actuarial Valuation can be found on www.nynet.org.uk/pensionfund.

INVESTMENT PERFORMANCE

Over the year to 31 March 2005, the Fund performance was slightly below (-0.1%) the customised benchmark. More details are to be found in the Investment Report (see **page 18**)

CLLR J. WEIGHELL
Chair (as from 26 May 2005)
Pension Fund Committee

2. MANAGEMENT REPORT

(a) INTRODUCTION

Membership

North Yorkshire County Council operates the North Yorkshire Pension Fund (NYPF) for its own employees (excluding Teachers) together with those of the other local authorities within the County area, and certain other bodies eligible to join the Fund, under the terms of the Local Government Pension Scheme Regulations 1997. The Fund does NOT cover teachers, police and fire-fighters for whom separate statutory arrangements exist.

Membership of the LGPS is not compulsory, although employees over 16 years old are automatically admitted to the Fund unless they elect otherwise.

Employees have various options:-

- to be part of the **North Yorkshire Pension Fund (NYPF)**;
- to be part of the State Second Pension Scheme; or
- to purchase a personal pension plan or a stakeholder pension managed by a private sector company.

The growth in membership numbers over the past 4 years can be seen in the table below:

MEMBERSHIP SUMMARY

Type	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005
Current Contributors	18,762	19,062	21,010	22,879	25,289
Deferred Pensions	6,142	6,842	8,273	8,770	9,431
Pensioners receiving Benefits	9,527	9,744	10,042	10,444	10,803

See **Appendix 1** for a detailed analysis of membership numbers at 31 March 2005, with comparative numbers for 31 March 2004.

Income

The Fund is financed by contributions from both employees and employers together with income earned from investments. The surplus of income received from contributions, investments and other sources, net of benefits and other expenses payable, is invested in accordance with a predetermined investment policy (**see page 16**).

The contributions payable by employees are prescribed by the Regulations. Prior to 1998, the rates were 5% or 6% of superannuable pay depending upon the conditions of service applicable. The 1997 Regulations amended this to a standard rate of 6% with effect from

1 April 1998, unless the member has “lower rate rights” (ie was paying 5% before 1 April 1998). The basis of the employer contribution rates is explained further in sections (b) Actuarial Valuation and (c) Employer Contributions below.

Benefits

The benefits payable under the 1997 Regulations are largely mandatory allowing little discretion to the employing bodies. A summary of benefits payable under the Local Government Pension Scheme (LGPS) is provided on **page 26**.

Pensions paid to retired employees are subject to mandatory inflation increases (usually annual), arising out of the Pension Increase Acts. The cost impact of these increases is incorporated into the overall assessment of the contributions paid by employers.

(b) ACTUARIAL VALUATION

In common with all other Local Government Pension Funds an Actuarial Valuation is carried out every three years, known as the Triennial Actuarial Valuation. The employer contribution rates for 2004/05 were set out in the Triennial Actuarial Valuation as at 31 March 2001. The latest Valuation was carried out as at 31 March 2004, and this is the one that sets the rates to apply from 1 April 2005; the results are therefore summarised below.

Funding Objective

To achieve and then maintain a funding target that requires assets equal to 100% of the present value of benefits based on completed service including provision for the effects of future salary growth and inflation up to retirement.

Valuation Results

(i) Future Service

The Common Contribution Rate (i.e. the contribution rate in respect of future service only) was calculated at **10.4%** of Pensionable Pay.

(ii) Past Service

The Fund showed a deficit of £524.5 million at the valuation date against the above funding objective and on the actuarial assumptions detailed in the report. This represented a funding level of 59%. An analysis of the results is shown below:

Item	£m
Value of liabilities	
• members in service	583.3
• deferred pensioners	176.3
• pensioners	530.7
Total liabilities (a)	1,290.3
Market value of assets (b)	765.8
Deficit (a-b)	524.5
Funding level (b/a)	59%

The Actuary stated that the deficit of £524.5 million could be eliminated by an average contribution addition of **7.1%** of Pensionable Pay for 30 years. This would imply an average employer contribution rate of 17.5% (17.7% at the previous valuation) of Pensionable Pay.

Funding Plan

The funding plan is set out in the Fund's Funding Strategy Statement (FSS). Individual employer funding plans, and the resulting certified contribution rates, were determined by the Actuary in accordance with the FSS. Depending on employers' individual circumstances, different approaches to the funding of benefits were adopted, as part of the FSS consultation process. This process became known as "controlled flexibility". The standard position adopted by the majority of employers was that contribution rates would be assessed based on recovery of the deficit over a **maximum period of 30 years**, and that any increase in contributions to this required level could be phased in over a period of up to 3 years if desired.

The employer contribution rates for each individual employer for the three years commencing 1 April 2005, are shown on the schedule in **Appendix 2**. Also the rates in operation for 2004/05 which resulted from the 2001 Valuation are shown, by employer, on **page 11**.

Assumptions

In summary, the **financial** assumptions adopted for the Valuation (2001 assumptions shown in brackets) were as follows:

	Past service	Future service
Investment return (pre retirement)	6.6% pa (5.6% pa)	6.5% pa (6.5% pa)
Investment return (post retirement)	5.1% pa (5.6% pa)	6.5% pa (6.5% pa)
Pensionable Pay increases	4.55% pa (3.8% pa)	4.25% pa (4.0% pa)
Pension increases	2.8% pa (2.3% pa)	2.5% pa (2.5% pa)

The Actuary also adopted various **demographic** assumptions, in respect of early retirement, ill-health retirement, mortality (ie to allow for the trend for people to live longer), withdrawals from the Fund, and the proportion of members who are married and their age differences.

Allowance had also to be made for the significant changes in benefits since the previous Valuation, viz:

- (i) the introduction of benefits for **Councillors** in England and Wales
- (ii) the **Local Government (Amendment) Regulations 2004** which made the following principal changes **from 1 April 2004**:
 - introduction of vesting of benefits after 3 months
 - introduction of the restriction of re-employed pensioners and deferred pensioners to have their service aggregated for benefit calculation purposes

(iii) The **Local Government Pension Scheme (Amendment) (No.2) Regulations 2004** which were to make the following changes, effective from 1 April 2005:

- removal of Rule of 85 retirement terms for benefits earned from scheme membership after 1 April 2005
- normal retirement age of 65 for all members
- increase in the earliest age from which retirement benefits may be paid, other than on grounds of ill health, from 50 to 55

The Local Government Pension Scheme (Amendment) (No.2) Regulations 2004 were revoked by the Deputy Prime Minister on 13 July 2005. No changes were made to the Valuation to reflect this, but the Actuary agreed to account for the revocation in the Interim Review as at 31 March 2005.

(c) EMPLOYER CONTRIBUTIONS

The following is a list of the 56 employers who contributed to the Fund in 2004/05, showing the employer's contribution rate per employer which applied in 2004/05. These rates were, for most employers, those set by the Actuary in the Triennial Actuarial Valuation as at 31 March 2001.

Scheduled Bodies (43):

Employer	Contribution Rate % of employees' contributions	Contribution Rate % of pensionable pay (average)
North Yorkshire County Council	315	18.6
City of York Council	295	17.3
Craven District Council	375	21.9
Hambleton District Council	235	13.9
Harrogate Borough Council	295	17.4
Richmondshire District Council	355	20.8
Ryedale District Council	300	17.7
Scarborough Borough Council	345	20.1
Selby District Council	315	18.8
North Yorkshire Police Authority	315	18.8
North Yorkshire Fire & Rescue Authority	295	17.5
North Yorkshire Magistrates Courts	310	18.6
North Yorkshire Probation Service	330	19.8
Yorkshire Dales National Park	270	16.1
North York Moors National Park	255	15.2
University of Hull, Scarborough Campus	270	16.0
Askham Bryan College	305	18.1
Selby College	230	13.8
Craven College	245	14.7
Scarborough Sixth Form College	295	17.4
Yorkshire Coast College	255	15.3
York College	225	13.5

Employer	Contribution Rate % of employees' contributions	Contribution Rate % of pensionable pay (average)
Scheduled Bodies grouped for setting contribution rates:	All 360	20.8 (group average)
Foss Internal Drainage Board Marston Moor Internal Drainage Board Thornton Internal Drainage Board Ouse & Derwent Internal Drainage Board Great Ayton Parish Council Whitby Town Council Fulford Parish Council Sutton-in-Craven Parish Council Selby Town Council Norton on Derwent Town Council Knaresborough Town Council Glusburn Parish Council Skipton Town Council Richmond Town Council Northallerton & Romanby Joint Burial Committee Northallerton Town Council Malton Town Council Pickering Town Council Hunmanby Parish Council Haxby Town Council Ripon City Council		

Admitted Bodies (13):

Employer	Contribution Rate % employees' contributions	Contribution Rate % pensionable pay (average)
York St.John College	200	11.8
York Archaeological Trust	190	11.4
Yorkshire Tourist Board	130	7.8
Joseph Rowntree Charitable Trust	190	11.4
Yorkshire Housing	200	11.9
Ryedale Sports and Recreation Ltd.	250	14.8
North Yorkshire Business and Education Partnership	462	27.7
Raynesway Construction Southern Ltd.	312	16.9
Northern Procurement Group	347	20.8
Connexions York & North Yorkshire Ltd.	275	16.5
York Museum and Galleries Trust	200	11.9
Craven Housing Ltd	230	13.7
Yorkshire Coast Homes Ltd	226	13.4

The employers' contributions are shown above both as a percentage of employees' contributions and as the average percentage of pensionable pay in 2004/05.

(d) ADMINISTRATIVE ARRANGEMENTS

North Yorkshire County Council (NYCC) is the statutory administering authority for the NYPF. All aspects of the Fund's management and administration, including investment matters, are overseen by the Pension Fund Committee (PFC).

The Pensions Section of Financial Services in NYCC administers all aspects of the benefits regulations, member records etc. Other staff within Financial Services look after the accounting and management information requirements of the Fund. In contrast all aspects of the day to day management of investment funds are undertaken by independent fund managers (see **page 15.**)

During the year the PFC met on six occasions to consider performance reports from the fund managers. When monitoring the performance of these managers the Committee receives professional advice both from its Investment Adviser and officers of the County Council.

Financial Services staff in the County Council liaise with the fund managers and Investment Adviser on a day to day basis and are responsible for all the associated administrative and accounting functions relating to the investments of the NYPF.

The Corporate Director- Finance and Central Services, acting as Treasurer to the Pension Fund is responsible for preparing the Pension Fund Annual Report in accordance with the Statement of Recommended Practice *Financial Reports of Pension Schemes 2002*.

PART B - INVESTMENT REPORT

1. INVESTMENT POLICY

(a) Regulations

The County Council is required, as administering authority, to invest any NYPF monies which are not immediately required to pay pensions and other benefits. The restrictions that have been applied to NYPF are set out in the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998, as subsequently amended by Regulations in 1999 and 2000, as follows:-

- (a) no more than 1% of the Fund may consist of any single sub-underwriting contract
- (b) no more than 2% of the Fund may consist of contributions to any single partnership
- (c) no more than 5% of the Fund may consist of contributions to partnerships
- (d) no more than 10% of the Fund may consist of securities which are not listed on a recognised stock exchange
- (e) no more than 10% of the Fund may consist of securities which are issued by any one body (other than the governments of the UK or Isle of Man), units of any one unit trust, loans to any one person (other than a bank), or any one item of property
- (f) no more than 10% of the Fund may consist of cash held with any one Bank
- (g) no more than 10% of the Fund may consist of debt securities or other obligations - with the exception of UK debt securities, other debt securities listed on a recognised stock exchange or UK or Isle of Man Government securities
- (h) no more than 15% of the Fund may consist of sub-underwriting contracts, and
- (i) no more than 25% of the Fund may consist of unit trusts managed by the same body
- (j) no more than 25% of the Fund may be invested in open-ended investment companies where the collective investment schemes constituted by the companies are managed by the same body
- (k) no more than 25% of the Fund may be invested in any single insurance contract
- (l) no more than 25% of the Fund may be transferred under stock lending arrangements

The Local Government Pension Scheme (Management and Investment of Funds) (Amendment) Regulations 2003 provide LGPS fund authorities (e.g. NYPF) with the opportunity to increase exposure to certain types of investments. Proper advice needs to be obtained before these wider limits can be adopted by any Fund. These opportunities will be assessed by the PFC as part of its ongoing review of the Fund's Investment Strategy. (see **page 5**)

(b) Investment Management arrangements

At 31 March 2005 approximately 25% of the assets, by value, were managed on a global balanced basis each by

Baillie Gifford and Co
Barclays Global Investors
Henderson Global Investors
Standard Life Investments.

In July 2000 the Fund allocated £15m to the Third Hermes Lens Focus Fund, which invests in underperforming UK companies and seeks to improve their performance through appropriate stewardship and/or management interventions.

In October 2001 the Fund invested £3m through Northern Venture Managers Ltd in Northern Investors Co PLC.

In February 2002 the Fund invested the equivalent of EUR10m in the Hermes European Focus Fund, with a further EUR10m being invested in July 2002. This Fund operates in the same way as the Third Hermes UK Focus Fund, but in respect of European companies.

Finally the NYPF is committed to an investment of £3m in the Yorkshire and Humber Regional Venture Capital Fund, the first tranche of £300k having been drawdown in July 2002, with further instalments to be drawn down on request possibly in November 2005.

The following table shows the total of investments and cash held by each Manager and the County Council as at 31st March:

Investment Manager	2005		2004	
	£000	%	£000	%
Baillie Gifford & Co	221,607	25.2	195,956	25.6
Barclays Global Investors	201,200	22.9	177,706	23.2
Henderson Global Investors	188,791	21.5	172,042	22.5
Standard Life Investments	206,121	23.4	179,844	23.5
Hermes Focus Asset Management-UK	16,294	1.9	14,022	1.8
Hermes Focus Asset Management-Europe	17,088	1.9	13,306	1.7
Northern Investors Co plc	3,329	0.4	2,918	0.4
Yorks & Humber Regional Venture Capital Fund	300	0.0	300	0.0
North Yorkshire County Council (cash & net debtors)	24,446	2.8	9,700	1.3
Total	879,176	100.0	765,794	100.0

The following table details the ten largest segregated equity holdings as at 31 March 2005:

Company		Market Value	Percentage of Value of Fund
		£000	%
(1)	Vodafone Group PLC	22,792	2.6
(2)	BP PLC	16,606	1.9
(3)	Royal Bank of Scotland Group PLC	14,262	1.6
(4)	GlaxoSmithkline PLC	12,842	1.5
(5)	HSBC Holdings PLC	12,691	1.4
(6)	Barclays	10,655	1.2
(7)	Shell Transport and Trading	7,888	0.9
(8)	HBOS	7,499	0.8
(9)	BHP Billiton	4,752	0.5
(10)	Anglo American	4,283	0.5
Total		114,270	12.9

The fund managers are given wide discretion as to the selection of stock and securities in which investment is made. Since April 2001 a **Customised Benchmark** has been in place whereby the PFC defines certain Fund specific benchmark proportions for each asset class; the managers are then monitored against specific performance mandates for each of the defined asset classes.

The asset allocation benchmark proportions as per the SIP in operation as at 31 March 2005, together with the actual asset allocations are shown in the table below:

ASSET ALLOCATION/BENCHMARK TABLE				
Asset Class	Benchmark Proportion	+2% Performance Target Permitted Range	Actual Asset Allocation	Benchmark Index
Total Equities	75%	+/- 10%	77.6%	
UK Equities	40%	+/- 10%	40.1%	FTSE All-Share
Overseas Equities	35%	+/- 10%	37.5%	
US	14%	+/- 5%	14.3%	FTSE World North America
Europe	12%	+/- 5%	12.9%	FTSE World Europe Ex-UK
Rest of World	9%	+/- 5%	9.6%	FTSE World Pacific
Emerging Markets	0%	0-3%	0.7%	
Bonds	23%	+/- 10%	17.8%	*Lehman Global Aggregate (ex US) Collateralised, hedged to sterling
Cash	2%	0-5%	4.6%	Sterling 7 day LIBID

[*Post 2004/05: The Benchmark Index for Bonds was changed as part of the Investment Strategy Review to 85% Index linked gilts (longer than 15 years), 15% Fixed Interest gilts (longer than 15 years)]

The specific performance criteria for the individual investment managers are as follows:

Baillie Gifford / Barclays Global / Henderson Global / Standard Life - the principal objective is to out-perform the (overall customised) benchmark by 2% per annum over rolling three year periods. The short term objective is for the manager to limit the risk of underperforming the benchmark by more than 5% in any one year. In pursuit of this aim these managers undertake to use best endeavours to constrain predicted tracking error to a maximum of 4%.

Hermes UK, Northern Investors and Yorkshire and Humber Regional Venture Capital Fund - the objective is to out-perform the UK Equities element of the benchmark (ie the FTSE All Share)

Hermes European - the objective is to out-perform the European Equities element of the benchmark (ie the FTSE World Europe ex UK).

(c) Custody of Investments

The Fund employs J P Morgan Worldwide Securities as global custodian for all the Fund's assets except:-

- (i) Hermes Focus Funds who use their own custodianship arrangements with J P Morgan
- (ii) Northern Investors plc, where NYPF has contracted with Cazenove & Co to act as custodian
- (iii) Yorkshire and Humber Regional Venture Capital Fund, whose bankers are the Royal Bank of Scotland plc
- (iv) Internally Managed Cash which is held either in the North Yorkshire Pension Fund Account, or swept to North Yorkshire County Council's County Fund Account, both held at Barclays Bank, Northallerton

2. PERFORMANCE OF THE FUND

The performance of the fund managers is measured and assessed on a quarterly basis using comparative performance statistics. During 2004/05, NYPF participated in an investment performance measurement service provided by JP Morgan Worldwide Securities Services. The WM Company, who provided a performance measurement service to NYPF up until 30 September 2003, have been retained for the purpose of providing comparisons with the WM Local Authority Universe, ie the performance of other local authority pension funds.

JP Morgan, who are the Fund's Global Custodian, made use of the information found within the Investment Accounting System, which they also provide for NYPF, in assessing the rate of return achieved by NYPF in relation to the customised benchmark.

The overall performance of the Fund and of the individual fund managers for the year to 31 March 2005, compared with the customised benchmark is shown on the following table:

<i>Fund Manager</i>	<i>Share of Fund %</i>	<i>Fund Performance %</i>	<i>Customised Benchmark %</i>	<i>+/- %</i>
Baillie Gifford & Co.	25.2	11.1	10.9	0.2
Barclays Global Investors	22.9	11.0	10.9	0.1
Henderson Global Investors	21.5	7.5	10.9	-3.4
Standard Life Investments	23.4	12.4	10.9	1.5
Hermes UK	1.9	16.2	15.6	0.6
Hermes European	1.9	28.4	18.7	9.7
YHRVCF	0.0	0.0	15.6	-15.6
Northern Investors Co.	0.4	16.8	15.6	1.2
Internally Managed Cash	2.8	4.6	4.5	0.1
Total Fund	100.0	10.8	10.9	-0.1

As indicated above, the WM Company also provided comparative data on local authority pension funds for the 2004/2005 financial year, as well as annualised returns over longer periods. This shows that the NYPF ranked a below 'average' 70th for the year (which was a disappointing result compared to the ranking of 12th for 2003/04).

At its meeting on 21 April 2005, the PFC considered the above performance returns for each fund manager and made a decision to terminate the contract of Henderson Global Investors. The Henderson equity portfolio was divided equally between the remaining three equity fund managers as part of the transition process to establish the new fixed income manager(s), which took place in June 2005.

PART C - FINANCIAL REPORT

Income and Expenditure for the year 2004/2005 and the **Net Assets Statement** (representing the value of the Fund) as at 31 March 2005 are shown on **pages 21 and 22**.

The value of the Fund's assets at 31 March 2004 was £766m and this increased by £113m during the year to give a value of **£879m** at 31 March 2005.

Contributions for the year were £8.4m more than for the year 2003/04 due to the effect of annual increments and pay increases for employees and an increase in the level of employers' contributions.

Expenditure on benefits increased during the year from £40.7m to £42.7m. This was principally caused by a net increase in the number of pensions in payment from 10,444 to 10,803 (**see page 8**).

Total contributions received during the year amounted to more than the total of benefits paid and administrative expenses by £30.8m. To this surplus was added net investment income of £12.6m, thereby giving an overall net surplus of funds for 2004/2005 of £43.4m (excluding gains and losses on investments).

Transfer values are payable between organisations when an employee leaves one pension fund, and joins another, in order to provide for the future pension which the latter will have to meet. For NYPF the net impact was that £1.2m more was received in transfer values in 2004/2005 than was paid to other funds in that year.

The main item of expenditure included in Administration Expenses is the service charge from North Yorkshire County Council for pensions administration, accounting expenses etc (£0.8m). The investment related expenses comprise the fees for fund managers (£1.8m) together with other costs of investment and related administration (£0.6m).

The principal items included in the accounts as Debtors are the sale of investments made in March 2005, but not settled until later (£13.0m), accrued dividends (£3.9m), the balance of employees' and employers' contributions due from employing authorities (£5.6m), VAT to be reclaimed (via NYCC)(£0.2m), interest on internally invested cash not credited to the Fund until after 31 March 2005 (£0.2m) and transfer values receivable (£0.1m) (**see page 23** for full details).

The principal items included in the accounts as Creditors relate to the purchase of investments made in March 2005 but not settled until later (£11.8m), management fees due (£0.7m) and retirement allowances/death grants payable (£0.1m) (**see page 23** for full details).

At March 2005, 94.9% of the fund assets were invested with a market value of £834m (**see page 22**). In addition, cash held on deposit by fund managers and the County Council at the year end totalled £35m, whilst £10m worth of net debtors increased the total of assets to £879m.

The Audit Commission have completed their audit of these accounts and their report is unqualified. (see page 25)

JOHN MOORE
Treasurer of the North Yorkshire Pension Fund

November 2005

**NORTH YORKSHIRE PENSION FUND
FUND ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005**

2003/2004 £000		£000	£000
	CONTRIBUTIONS AND BENEFITS		
	Contributions receivable		
47,192	Employers	54,040	
1,626	Early Retirement Costs Recharged	1,683	
16,350	Employees or members	17,921	
	AVC Contributions received on behalf of AVC		
1,453	Provider	<u>1,353</u>	
<u>66,621</u>	Total Contributions Receivable		74,997
11,958	Transfers in		11,960
	<u>Less</u>		
	Benefits payable		
(34,181)	Pensions	(35,849)	
<u>(6,501)</u>	Lump Sums (including retirement and death grants)	<u>(6,829)</u>	
<u>(40,682)</u>	Total Benefits payable		(42,678)
(1,453)	AVC Contributions remitted to AVC Provider		(1,353)
	Payments to and on account of leavers		
(383)	Refunds of contributions	(390)	
<u>(6,383)</u>	Transfers out	<u>(10,736)</u>	
<u>(6,766)</u>	Total payments to and on account of leavers		(11,126)
(921)	Administration and other Expenses		(1,034)
<u>28,757</u>	Net additions/(withdrawals) from dealings with members		<u>30,766</u>
	RETURNS ON INVESTMENTS		
12,873	Investment income		14,766
142,127	Change in market value of investments (realised and unrealised)		70,032
(1,964)	Investment management expenses		(2,182)
<u>153,036</u>	Net returns on investments		<u>82,616</u>
181,793	Net Increase/(Decrease) in Fund during year		113,382
584,001	Opening Net Assets of the Scheme		765,794
<u>765,794</u>	Closing Net Assets of the Scheme		<u>879,176</u>

**NET ASSETS STATEMENT
AS AT 31ST MARCH 2005**

31 March 2004
£000

£000 £000

INVESTMENT ASSETS

	Fixed Interest Securities		
97,521	Public Sector	118,994	
<u>35,916</u>	Other	<u>35,155</u>	
133,437	Total Fixed Interest Securities		154,149
347,029	Equities		387,277
1,892	Index-Linked Securities		0
133,914	Unit Trusts		150,472
115,443	Managed Funds		142,038
<u>731,715</u>	Total Investment Assets		<u>833,936</u>

CURRENT ASSETS AND LIABILITIES

	Debtors		
14,263			23,293
	Cash		
19,946	With Fund Managers	15,667	
5,243	Invested with NYCC	19,218	
(91)	At Bank	<u>(117)</u>	
25,098	Total Cash		34,768
(5,282)	Creditors		(12,821)
<u>34,079</u>	Net Current Assets and Liabilities		<u>45,240</u>
<u>765,794</u>	TOTAL NET ASSETS		<u>879,176</u>

Additional Information:

Current Assets and Liabilities

	2004/05 £000	2003/04 £000
Debtors		
Investment Transactions	13,029	4,637
Accrued Dividends	3,920	3,813
Contributions due from Employing Authorities	5,637	5,115
Pensions Rechargeable	29	27
Withholding Taxes Recoverable	110	129
Interest on Deposits	209	0
Value Added Tax	212	0
Transfer Values In	144	530
Other	3	12
	23,293	14,263
Creditors		
Investment Transactions	11,836	4,062
Management Fees	666	510
Retirement Allowances/Death Grants	141	277
Transfer Values Out	74	81
Income Tax on Pensions	0	246
Other	104	106
	12,821	5,282
Investment Income		
	2004/05 £000	2003/04 £000
Fixed Interest Securities	4,193	3,710
Dividends from Equities	9,388	8,640
Income from Managed Funds	0 *	0
Income from Unit Trusts	0 *	0
Interest on Cash Deposits	1,182	522
Underwriting Commission	3	1
	14,766	12,873

*Income not separately identified in the accounts, since it is immediately reinvested in the Funds/Trusts, and as such is recognised as capital growth.

Contributions and Benefits

Contributions represent the total amounts receivable from the various employing authorities in respect of their own contributions and those of their pensionable employees. The employer's contributions are made at a rate determined by the Fund's actuary. Benefits represent the amounts paid in pensions and lump sums (including retirement and death grants).

Contributions Receivable

North Yorkshire County Council	30,289	26,236
Other scheduled bodies	39,986	35,982
Admitted bodies	3,369	2,950
AVC Contributions	1,353	1,453
	74,997	66,621

Members of the Fund can make Additional Voluntary Contributions (AVCs) which are invested in insurance policies with Prudential Assurance Company Limited on behalf of the individual members concerned. These contributions are identified as separate lines in the accounts.

	2004/05 £000	2003/04 £000
Benefits Payable		
North Yorkshire County Council	19,962	18,968
Other scheduled bodies	21,298	20,723
Admitted bodies	1,418	991
	42,678	40,682

Administration Expenses

	2004/05 £000	2003/04 £000
Administration and Processing	859	847
Actuarial Fees	106	38
Legal and Audit Fees	69	36
	1,034	921

The analysis above does not include investment expenses, £2.182m in 2004/05 (£1.964m in 2003/04).

PART D - AUDITOR'S REPORT

I have examined the financial statements included in the Pension Fund Annual Report set out on pages 19 to 24.

This report is made solely to North Yorkshire County Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission.

Respective responsibilities of the Corporate Director- Finance and Central Services and auditors

As described in page 13 the Corporate Director – Finance and Central Services acting as Treasurer to the Pension Fund is responsible for preparing the Annual Report in accordance with the Statement of Recommended Practice *Financial Reports of Pension Schemes 2002*. My responsibility is to report to you my opinion on the consistency of the financial statements within the Annual Report with North Yorkshire County Council's statutory financial statements. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the statutory financial statements.

Basis of Opinion

I conducted my work in accordance with paragraphs 15 to 18 of Bulletin 1999/6 'The auditor's statement on the summary financial statement' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In my opinion the financial statements set out on pages 19 to 24 of the Annual Report are consistent with the statutory financial statements of North Yorkshire County Council for the year ended 31 March 2005 on which I have issued an unqualified opinion.

Signature:M Kirkham.....

Date: 18 OCTOBER 2005

Name: MARK KIRKHAM

Address: AUDIT COMMISSION
KERNEL HOUSE
KILLINGBECK DRIVE
KILLINGBECK
LEEDS
LS14 6UF

PART E - SCHEME BENEFITS

Introduction

The Local Government Pension Scheme (LGPS) is a very comprehensive scheme providing a wide range of benefits for members and their families. This summary does not intend to give details of all the benefits provided by the scheme or of all the specific conditions that must be met before these benefits can be obtained. This summary is provided as an illustrative guide only and more detailed information, including the scheme booklet *A Guide to the LGPS*, can be obtained by contacting the Pensions Section at County Hall, Northallerton, (telephone 01609 780780 extension 2340).

Normal Retirement Age

65 for both men and women (earlier voluntary retirement allowed from age 60 subject to minimum service conditions).

On retirement, normally, both a pension and a lump sum retirement grant are payable both related to length of service and final pay.

Pension (Normal)

Based on average pensionable pay for the last year of service or the better of the two previous years if this gives a higher figure. Pensions are calculated on a fraction of $\frac{1}{80}$ th for each year of membership of the scheme.

Pension (Ill Health)

Based on average pensionable pay for the last year of service, $\frac{1}{80}$ th for each year as follows:

Service of 2 years and less than 5 years	- actual
Service between 5 and 10 years	- doubled
Service 10 to 13 $\frac{1}{3}$ years	- enhanced to 20 years
Service 13 $\frac{1}{3}$ years and above	- 6 $\frac{2}{3}$ years to be added

Enhanced Service is not to exceed that which could have been earned by normal retirement age, or would produce a maximum of 40 years.

Lump Sum Retirement Grant

Based on average pensionable pay for the last year of service, $\frac{3}{80}$ ths for each year of service, with appropriate enhancement in respect of ill health, if appropriate.

Death Grant

(i) Death in Service

A lump sum death grant usually equal to two times pensionable pay would be payable to the member's spouse, or nominee.

(ii) Death after Retirement

A death grant is payable in certain circumstances where death occurs after retirement. Retirement pensions are guaranteed for five years and where death occurs within that period, a death grant is payable.

Widows/Widower's Pension

(i) Short Term Benefits

Pension equal in value to 3 months pensionable pay is paid to the widow/widower. If there are any children under age 17 or still in full time education, then this pension will be paid for 6 months.

(ii) Long-Term Benefits

Based on 50% of spouse's pension at date of retirement

OR

for death in service, calculated as if ill-health retirement had taken place on the date of death (again 50% of spouse's pension) provided there are two years' service completed. This is payable for life.

Children's Pension

Each child (maximum of two) under age 17, or still in full-time education, will receive a pension of at least 25% of the parent's pension at the date of retirement or, for death in service, 25% of the parent's pension based on ill health retirement on the date of death.

Pension Increases

Pensions are increased in accordance with the Social Security Pensions Act 1975. All pensions paid from the scheme are protected against inflation, rising in line with the Retail Price Index.

Contracting Out Status (with effect from 1 April 2002)

The LGPS is contracted-out of the State Second Pension Scheme (S2P). This means that members pay reduced National Insurance contributions and that they do not earn a pension under S2P. Instead, the LGPS must guarantee to pay a pension that in general is as high as the pension which would have been earned in the State Earnings Related Pension Scheme (SERPS) / S2P. For contracted-out membership or and between 6 April 1978 and 5 April 1997, a Guaranteed Minimum Pension (GMP) is calculated by the Inland Revenue which is the minimum pension which must be paid from the North Yorkshire Pension Fund to the member. For membership after 5 April 1997, the LGPS has guaranteed that the benefits it provides will, in general, be no less favourable than those provided under a Reference Scheme prescribed under the Pensions Act 1995.

AVC's

A facility is available for scheme members to make Additional Voluntary Contributions (AVCs). The Pension Fund Committee has appointed the Prudential as the nominated provider for this purpose. Further details are available from the Prudential Pensions Connection Team on 0845 6070077.

PART F - STATEMENT OF PENSION FUND COMMITTEE RESPONSIBILITIES

The Pension Fund Committee holds the following delegated powers

- 1.** To exercise the powers of the County Council to invest monies forming part of the Pension Fund, including:-
 - ◆ investment in property;
 - ◆ appointment of managers to manage and invest Fund monies on the County Council's behalf;
 - ◆ receiving reports from the managers at least once every three months setting out the action they have taken under their appointment;
 - ◆ receiving reports every three months reviewing the investments made by the Investment Manager;
 - ◆ from time to time considering the desirability of continuing or terminating the appointments; and
 - ◆ from time to time reporting to the Executive.

- 2.** To exercise all the County Council's powers as administering authority for the North Yorkshire Pension Fund, subject to any specific instructions that might be given from time to time by the Council.

- 3.** To carry out the County Council's functions relating to local government pensions under
 - ◆ The Local Authority (Discretionary Payments) Regulations 1996;
 - ◆ The Local Authority Pension Scheme Regulations 1997; and
 - ◆ The Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998, and subsequent amendments

PART G - COMPLIANCE STATEMENT

Myners Compliance and SIP

The central proposal to emerge from the Myners' Review of Institutional Investment published in 2001 was the establishment of a set of non-mandatory (but accountable) principles to improve practice and process in institutional investment management. These principles have been reviewed and revised recently by HM Treasury.

Under the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1999, as amended in 2002, the Fund is required to report its compliance with Myners principles in the Statement of Investment Principles (SIP) – **see page 6**.

Trustee Training

The County Council as administrators of the Fund supports the practice of regular training to ensure PFC Members are familiar with the issues on which they are required to make decisions. This is achieved by their attendance at training seminars, courses and conferences provided by external providers, and at internally provided workshops and training events.

Corporate Governance

The present policy on corporate governance is that NYPF has instructed Pension Investment Research Consultants Limited (PIRC) to execute voting rights for all UK Equities held by the Fund. Votes are executed according to predetermined Shareholder Voting Guidelines agreed with PIRC by the PFC. PIRC currently instructs J P Morgan (the Fund Custodian) by email of voting recommendations for each FTSE All Share holding.

The scope of the policy is under review with the intention of extending the range of companies where NYPF's interest can be voted, for example to overseas holdings.

NYPF, as a member of the Local Authority Pensions Fund Forum (LAPFF), receives research and advice in relation to voting issues and local authority pension fund good practice.

Securities Lending and Commission Recapture

NYPF prohibits its fund managers and custodian from securities lending, or operating a commission recapture arrangement with brokers.

MEMBERSHIP STATISTICS

Employer (1)	SUMMARY OF ACTIVE MEMBERS		SUMMARY OF DEFERRED MEMBERS		SUMMARY OF PENSIONERS	
	Pensionable Employees as at 31/3/2004 (2)	Pensionable Employees as at 31/3/2005 (3)	Deferreds as at 31/3/2004 (4)	Deferreds as at 31/3/2005 (5)	Pensioners as at 31/3/2004 (6)	Pensioners as at 31/3/2005 (7)
North Yorkshire County Council	11,255	12,998	4,787	4,977	5,688	5,878
North Yorkshire Police Authority	888	963	262	285	322	332
North Yorkshire Fire & Rescue Authority	118	117	3	12	14	15
North Yorkshire Probation Committee	232	288	73	83	92	94
North Yorkshire Magistrates Courts Committee	131	136	59	58	62	71
North York Moors National Park	121	122	30	36	19	22
Yorkshire Dales National Park	133	139	39	48	14	17
Raynesway	303	274	16	25	11	22
DISTRICTS						
Craven	225	238	117	126	204	205
Hambleton	351	366	143	150	201	204
Harrogate	1,141	1,169	490	537	642	639
Richmondshire	288	303	121	139	179	181
Ryedale	236	230	113	112	226	229
Scarborough	949	938	386	428	847	839
Selby	344	340	205	209	259	257
UNITARY AUTHORITIES						
York	4,501	4,884	1,262	1,459	1,225	1,307
COLLEGES	943	1,327	374	636	174	354
OTHER EMPLOYERS	720	457	290	111	265	137
TOTAL	22,879	25,289	8,770	9,431	10,444	10,803

Actuarial Certificate

**Local Government Pension Scheme Regulations 1997
(as amended)
Rates and Adjustments Certificate issued in accordance
with Regulation 77**

Regulation 77(3)

I hereby certify that, in my opinion, the Common Rate of employers' contributions payable in each year of the period of three years beginning 1 April 2005 should be at the rate of 10.4 per cent of Pensionable Pay.

I hereby certify that, in my opinion, the amount of the employers' contribution rate payable in each year of the period of three years beginning with 1 April 2005, as set out above, should be individually adjusted as set out in the attached Schedule.

A further individual adjustment shall be applied in respect of each non-ill health early retirement occurring in the period of the Rates and Adjustments Certificate. This further individual adjustment will be calculated in accordance with methods agreed from time to time between the Fund's actuary and the Administering Authority.

The contribution rates set out in the attached Schedule represent the minimum contribution which may be paid by each employer. Additional contributions may be paid if requested by the employer concerned.

Regulation 77(7)

As noted above, no allowance for non-ill health early retirements has been made in determining the results of the valuation, on the basis that the costs rising will be met by additional contributions. Allowance for ill health requirements has been included in each employer's contribution rate, on the basis of the method and assumptions set out the report.

Signature:

Name:

Date of Signing:



Actuarial Certificate

Schedule to the Rates and Adjustments Certificate dated 14 March 2005

	2005/06		2006/07		2007/08	
	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %
Major Scheduled Bodies						
North Yorkshire County Council	8.2	18.6	8.3	18.7	8.4	18.8
City of York Council	7.2	17.6	7.2	17.6	7.2	17.6
Ryedale District Council	8.3	18.7	9.3	19.7	9.8	20.2
Harrogate Borough Council	8.4	18.8	9.5	19.9	10.6	21.0
Richmondshire District Council	10.5	20.9	10.5	20.9	10.5	20.9
Selby District Council	8.5	18.9	8.5	18.9	8.5	18.9
Craven District Council	12.5	22.9	13.5	23.9	14.5	24.9
Hambleton District Council	6.3	16.7	6.3	16.7	6.3	16.7
Scarborough Borough Council	9.4	19.8	9.4	19.8	9.4	19.8
North Yorkshire Police Authority	8.5	18.9	8.5	18.9	8.5	18.9

	2005/06		2006/07		2007/08	
	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %
Other Scheduled Bodies						
Askham Bryan College	6.1	16.5	6.1	16.5	6.1	16.5
Craven College	2.0	12.4	2.0	12.4	2.0	12.4
York College	2.2	12.6	2.2	12.6	2.2	12.6
Selby College	2.3	12.7	2.3	12.7	2.3	12.7
Yorkshire Coast College	2.4	12.8	2.4	12.8	2.4	12.8
Scarborough Sixth Form College	4.2	14.6	4.2	14.6	4.2	14.6
University of Hull, Scarborough Campus	3.0	13.4	3.0	13.4	3.0	13.4
Fulford Parish Council	8.0	18.4	8.0	18.4	8.0	18.4
Whitby Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Great Ayton Parish Council	8.0	18.4	8.0	18.4	8.0	18.4
Northallerton and Romanby Burial Committee	8.0	18.4	8.0	18.4	8.0	18.4
Selby Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Glusburn Parish Council	8.0	18.4	8.0	18.4	8.0	18.4
Sutton-in-Craven Parish Council	8.0	18.4	8.0	18.4	8.0	18.4
Foss Internal Drainage Board	8.0	18.4	8.0	18.4	8.0	18.4
Skipton Town Council	13.8	24.2	13.8	24.2	13.8	24.2
Ouse and Derwent Internal Drainage Board	8.0	18.4	8.0	18.4	8.0	18.4
Marston Moor Internal Drainage Board	8.0	18.4	8.0	18.4	8.0	18.4
Norton on Derwent Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Thornton Internal Drainage Board	8.0	18.4	8.0	18.4	8.0	18.4
Richmond Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Malton Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Northallerton Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Pickering Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Hunmanby Parish Council	8.0	18.4	8.0	18.4	8.0	18.4
Haxby Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Tadcaster Town Council	8.0	18.4	8.0	18.4	8.0	18.4
Ripon City Council	8.0	18.4	8.0	18.4	8.0	18.4
Knaresborough Town Council	8.0	18.4	8.0	18.4	8.0	18.4
North Yorkshire Fire and Rescue Authority	4.8	15.2	4.8	15.2	4.8	15.2

	2005/06		2006/07		2007/08	
	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %
Other Scheduled Bodies						
North Yorkshire Moors National Park	5.1	15.5	5.1	15.5	5.1	15.5
Yorkshire Dales National Park	9.2	19.6	9.2	19.6	9.2	19.6
North Yorkshire Probation Committee	13.6	24.0	13.6	24.0	13.6	24.0
North Yorkshire Magistrates Courts Committee (Department for Constitutional Affairs)	£314,500	£314,500	£314,500	£314,500	£314,500	£314,500

	2005/06		2006/07		2007/08	
	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %
Admitted Bodies						
York St John College	3.4	13.8	3.4	13.8	3.4	13.8
Ryedale Housing	5.6	16.0	5.6	16.0	5.6	16.0
Yorkshire Tourist Board	-1.4	9.0	-0.2	10.2	0.9	11.3
York Archaeological Trust Limited	13.9	24.3	13.9	24.3	13.9	24.3
Joseph Rowntree Charitable Trust	6.8	17.2	6.8	17.2	6.8	17.2
Ryedale Sports and Recreation Limited	6.1	16.5	6.1	16.5	6.1	16.5
North Yorkshire Business and Education Partnership	27.0	37.4	27.0	37.4	27.0	37.4
Raynesway	8.4	18.8	8.4	18.8	8.4	18.8
Northern Procurement Group	6.7	17.1 + £14,000 p.a.	6.7	17.1 + £14,000 p.a.	6.7	17.1 + £14,000 p.a.
Connexions	2.5	12.9	2.5	12.9	2.5	12.9
York Museum & Gallery Trust	2.1	12.5	2.1	12.5	2.1	12.5

	2005/06		2006/07		2007/08	
	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %	Individual Adjustment %	Total Contribution Rate %
Admitted Bodies						
Craven Housing	-0.3	10.1	-0.3	10.1	-0.3	10.1
Yorkshire Coast Homes	1.3	11.7	1.3	11.7	1.3	11.7

Other interested bodies with no pensionable employees

Former Employers	Proportion of Pension Increases to be Recharged %
Filey Town Council	0
Department of Transport DVLC	100
Yorkshire Water Authority	100
Department of Social Security	0
St Sampsons Social Club	0
Ashville College	0
Selby Area Internal Drainage Board	0
Buy from the Blind Guild	0
Harewood Housing Society Limited	0
Harrogate Society for the Blind	0

A bulk transfer is pending in respect of Harrogate College former Fund members. Active members of the Fund in respect of the Magistrates Courts Committee will transfer to the Principal Civil Service Pension Scheme on 31 March 2005. From that date we have assumed that the Department for Constitutional Affairs (DCA) will be liable for the deficit payments required in respect of the pensioner and deferred pensioner liabilities, which will remain with the Fund. If the DCA's participation in the Fund were to be terminated the deficit position would be revised on a risk-free basis of assessment

