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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:	Yorkshire and Humber (Local Authorities) Employers' Association (formerly known as Local Government Yorkshire and Humber)
Year ended:	31 March 2015
List No:	CO/246E
Head or Main Office:	The Orangery Back Lane Wakefield West Yorkshire WF1 2TG
Website address (if available)	www.lgyh.gov.uk
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Tick as appropriate)
General Secretary:	Steve Walmsley
Contact name for queries regarding the completion of this return:	Mark Shaw
Telephone Number:	01924 305253
e-mail:	Mark.shaw@lgyh.gov.uk

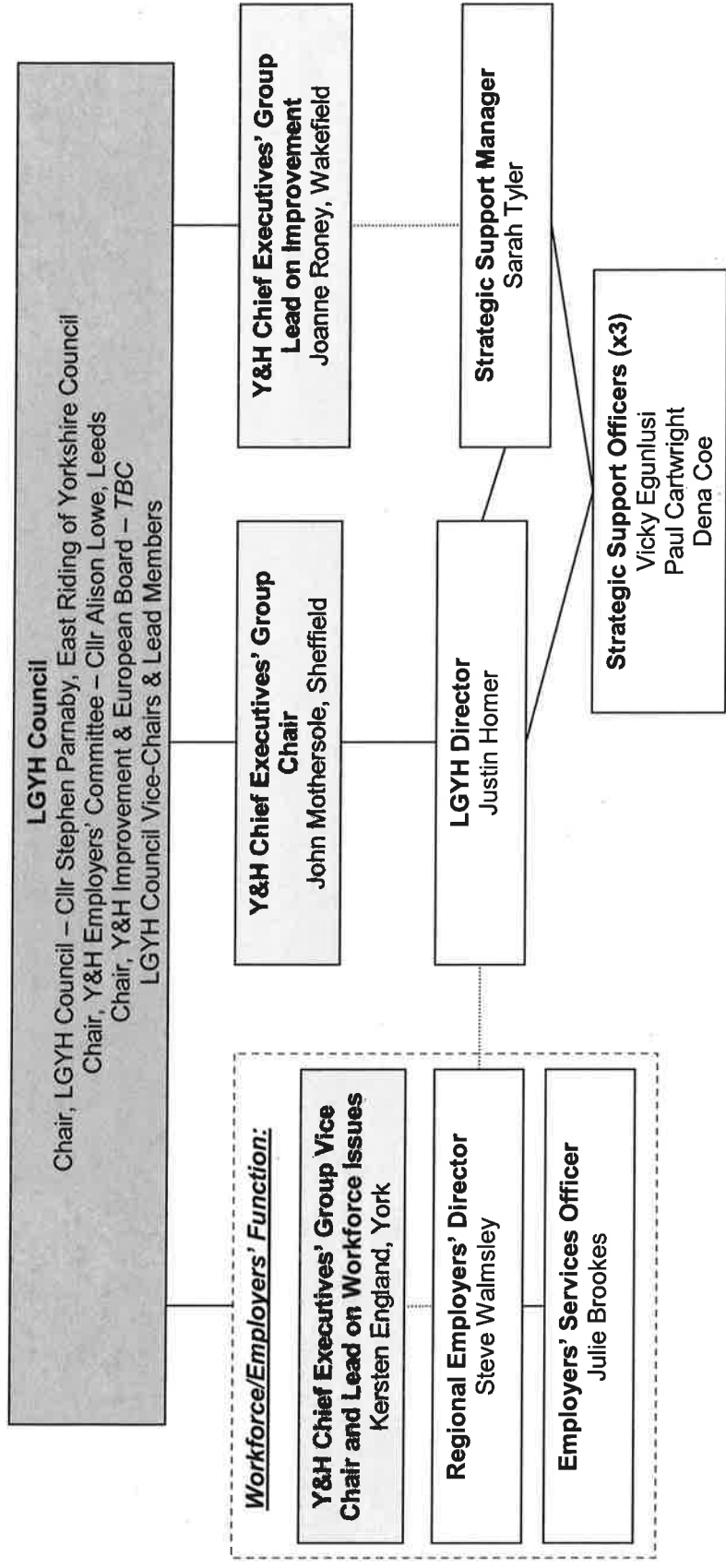
PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Employers' Associations based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG

LGYP SECRETARIAT AND REPORTING STRUCTURE – THROUGH POLITICAL AND CHIEF EXECUTIVE LEADS



CERTIFICATION OFFICE
FOR TRADE UNIONS
& EMPLOYERS' ASSOCIATIONS
- 3 FEB 2016
RECEIVED

Externally funded Special Project Officers hosted in the LGYP Secretariat:

- Y&H Climate Change Co-ordinator
- Strategic Support Officer, Special Projects
- Regional Health & Wellbeing Collaborative Coordinator

RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
33				33

OFFICERS IN POST

(see note 10)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Director, LGYH and Secretary	Justin Homer	Steve Walmsley	24 Feb 2015
Treasurer	Sarah Tyler	Steve Walmsley	28 Feb 2015

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	INCOME			
509,977	From Members	Subscriptions, levies, etc	509,977	
3,112	Investment income	Bank interest (gross)	2,119	
				512,096
40,525	Other income	Consultancy fees (seminars, conf. etc.)	37,210	
425,758		Special Projects	490,780	
4,175		Information services, handbooks	2,634	
34,755		Miscellaneous – staff secondments	36,617	
0		Contribution from members to pension exit	2,715,000	
				3,282,241
		TOTAL INCOME		3,794,337
	EXPENDITURE			
	Administrative expenses			
451,012		Remuneration and expenses of staff	284,421	
0		Pension scheme exit costs	2,715,000	
(16,938)		Severance / Exceptional costs	179,688	
31,163		Occupancy costs	28,285	
9,782		Printing, Stationery, Post and Telephone	8,631	
12,443		Legal and Professional fees	11,803	
7,822		Staff training and recruitment	9,048	
14,494		Externally provided services	17,800	
2,500		Subscriptions, publications, website	2,500	
				3,257,176
815	Other charges	Bank charges	809	
16,153		Seminars, conferences etc.	5,434	
589,926		Special projects	648,872	
(197,000)		Current service less employer contribution	(1,759,000)	
43,000		Past service curtailment/settlement gain	1,463,000	
(114,000)		Pension finance cost	(227,000)	
				132,116
851,172		TOTAL EXPENDITURE		3,389,292
167,130		Surplus/Deficit for year		405,045
1,875,000		Gains (and losses) on revaluation of pension assets and liabilities		(222,000)
2,042,130				183,045
(1,897,771)		Amount of fund at beginning of year		144,359
144,359		Amount of fund at end of year		327,404

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 3		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 5		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNT 7		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

BALANCE SHEET AS AT 31 March 2015

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at page 11)		
	Investments (as per analysis on page 13)		
	Quoted (Market value £)		
	Unquoted		
	Total Investments		
	Other Assets		
111,575	Sundry debtors	85,196	
1,184,853	Cash at bank and in hand	867,035	
	Stocks of goods		
0	Pension deficit contributions due from members	2,715,000	
1,296,428	Total of other		3,667,231
	assets		
1,296,428		TOTAL ASSETS	3,667,231
539,359	General Reserves	421,404	
(395,000)	Pension Scheme Reserve	(94,000)	
	Liabilities		
	Loans		
	Bank overdraft		
	Tax payable		
757,069	Sundry creditors	530,827	
	Accrued expenses		
0	Other contributions due to WYPF	2,715,000	
395,000	Other liabilities	94,000	
1,152,069		TOTAL LIABILITIES	3,339,827
1,296,428		TOTAL ASSETS	3,667,231

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period				
Additions during period				
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period				
BOOK AMOUNT at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET				

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 23 to 25)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES	NO
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES	NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	509,977		509,977
From Investments			
Other Income (including increases by revaluation of assets)	3,284,360		3,284,360
Total Income	3,794,337		3,794,337
EXPENDITURE (including decreases by revaluation of assets)	3,611,292		3,611,292
Total Expenditure	3,611,292		3,611,292
Funds at beginning of year (including reserves)	144,359		144,359
Funds at end of year (including reserves)	327,404		327,404
ASSETS			
Fixed Assets			
Investment Assets			
Other Assets			3,667,231
		Total Assets	3,667,231
LIABILITIES		Total Liabilities	3,339,827
NET ASSETS (Total Assets less Total Liabilities)			327,404

NOTES TO THE ACCOUNTS

(see note 36)

All notes to the accounts must be entered on or attached to this part of the return.

A large, empty rectangular box with a black border, intended for the user to enter or attach notes to the accounts. The box occupies most of the page's vertical space below the instruction.

ACCOUNTING POLICIES

(see notes 37 and 38)

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: _____	Chairman's Signature: _____ <small>(or other official whose position should be stated)</small>
Name: _____ Stephen Walmsley _____	Name: _____ John Mothersole _____
Date: _____	Date: _____

CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES		NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES		NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES		NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES		NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES		NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES		NO	

AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

YES/NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 43)

YES/NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in note 43)

YES/NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 45)

AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:		
Name(s):		
Profession(s) or Calling(s):		
Address(es):		
Date:		
Contact name and telephone number:		

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

Local Government Yorkshire and Humber

Financial statements

For the year ended 31 March 2015

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

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LOCAL GOVERNMENT YORKSHIRE AND HUMBER

AUDITORS REPORT FOR THE YEAR ENDED 31 MARCH 2015

Independent auditor's report to the members of Local Government Yorkshire and Humber

We have audited the financial statements of Local Government Yorkshire and Humber for the year ended 31 March 2015 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of LGYH Council members and auditor

As explained more fully in the LGYH Council members' Responsibilities Statement set out on page 7, the LGYH Council members 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members as a body. Our audit work has been undertaken so that we might state to the organisation's members 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 organisation and the organisation's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

AUDITORS REPORT FOR THE YEAR ENDED 31 MARCH 2015

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept in accordance with the requirements of section 28;
or
- a satisfactory system of control over transactions has not been maintained; or
- the financial statements do not relate to the accounting records.



Shaun Mullins (Senior Statutory Auditor)
for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor
Mazars LLP, Leeds

Date 26 January 2016

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015	2014
		£	£
INCOME			
From members			
Subscriptions, levies etc, employer		509,977	509,977
Inv. Income			
Bank interest		2,119	3,112
Other income			
Consultancy fees (Seminars, Conferences & Exhibitions)		37,210	40,525
Special projects		490,780	425,758
Information services, handbooks, sundry income		39,251	38,930
Contribution from members to fund pension exit		2,715,000	-
Total income		<u>3,794,337</u>	<u>1,018,302</u>
EXPENDITURE			
Admin expenses			
Remuneration and expenses of staff		284,421	451,012
Pension scheme exit costs		2,715,000	-
Severance costs		179,688	(16,938)
Occupancy costs		28,285	31,163
Printing, stationery, post and telephone		8,632	9,782
Legal and professional fees		11,803	12,443
Staff training and recruitment		9,048	7,822
Externally provided services		17,800	14,494
Subscriptions, publications, website		2,500	2,500
Other charges			
Bank charges		809	815
Seminars, conferences, exhibitions		5,434	16,153
Special projects		648,872	589,926
Current service cost less employer contributions	6	(1,759,000)	(197,000)
Past service cost	6	1,463,000	43,000
Pension finance costs	6	(227,000)	(114,000)
Total expenditure		<u>3,389,292</u>	<u>851,172</u>
Net surplus		405,045	167,130
(Losses)/gains on revaluation of pension assets and liabilities	6	(222,000)	1,875,000
Net surplus after gains and losses on revaluation of pension assets and liabilities		183,045	2,042,130
Funds brought forward at 1 April 2014		144,359	(1,897,771)
Funds carried forward at 31 March 2015		<u>327,404</u>	<u>144,359</u>

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

BALANCE SHEET AS AT 31 MARCH 2015

	Note	2015		2014	
		£	£	£	£
Current assets					
Debtors	3	2,800,196		111,575	
Cash at bank and in hand		<u>867,035</u>		<u>1,184,853</u>	
		3,667,231		1,296,428	
Creditors: amounts falling due within one year					
	4	<u>(3,245,827)</u>		<u>(757,069)</u>	
Net current assets			<u>421,404</u>		<u>539,359</u>
Net assets excluding pension liability			421,404		539,359
Pension liability	6		<u>(94,000)</u>		<u>(395,000)</u>
Net assets including pension liability			<u>327,404</u>		<u>144,359</u>
Reserves					
General reserve excluding pension liability	5		421,404		539,359
Pension reserve	6		<u>(94,000)</u>		<u>(395,000)</u>
Total reserves			<u>327,404</u>		<u>144,359</u>

The financial statements were approved the Regional Chief Executive's Group under authority delegated to them by LGYH Council on and signed on its behalf by:

20 January 2016

Steve Walmsley John Mothersole

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

CASH FLOW STATEMENT AS AT 31 MARCH 2015

Reconciliation of operating income to net cash outflow from operating activities

	2015 £	2014 £
Net incoming resources	183,045	2,042,130
Actuarial loss/(gain) on pension scheme	222,000	(1,875,000)
Returns on investments and servicing of finance	(1,310)	(2,297)
Decrease in debtors	26,379	51,686
Decrease in creditors	(226,242)	(245,121)
Other decrease in pension deficit in year	(523,000)	(268,000)
Net cash outflow from operating activities	(319,128)	(296,602)

CASH FLOW STATEMENT

	2015 £	2014 £
Net cash outflow from activities	(319,128)	(296,602)
Returns on investments and servicing of finance		
Interest receivable	2,119	3,112
Interest paid	(809)	(815)
DECREASE IN CASH	(317,818)	(294,305)

RECONCILIATION OF CASH DECREASE TO MOVEMENT IN NET FUNDS

	2014 £	Cashflow £	2015 £
Cash at bank and in hand	<u>1,184,853</u>	<u>(317,818)</u>	<u>867,035</u>
Net funds	<u>1,184,853</u>	<u>(317,818)</u>	<u>867,035</u>

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

1.1 Basis of preparation of the accounts

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

The financial statements have been prepared on the going concern basis, as the LGYH Council members have obtained budgets and cashflow information for the period ending 12 months from the date of approval of these financial statements. On the basis of this information, the LGYH Council members consider the organisation to have sufficient funding for this period.

1.3 Income

Income comprises:

- member organisation subscriptions which are recognised over the period to which the subscription relates;
- grant income which is recognised when the criteria associated with the grant are met;
- special project income which is recognised based on the level of completion of the individual project; and
- other income streams which are included at the invoiced value of services supplied, net of value added tax and any discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed asset purchases below £1,750 are written off fully in the year of acquisition.

1.5 Pensions

The organisation was, during the year, a member of a defined benefit pension scheme and the assets of the scheme are invested and managed independently.

During the year the organisation exited the pension scheme. At the year end, £2,715,000 was due to the pension fund and is included within creditors. The organisation is funding this via contributions from organisation members, which total £2,715,000 and are included within debtors.

Pension costs are assessed in accordance with the advice of an independent qualified actuary. The pension scheme liabilities are measured using the projected unit method and the pension scheme deficit is recognised in full on the balance sheet.

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2. Statement of LGYH Council Members' Responsibilities

Applicable law requires the LGYH Council Members to prepare financial statements for each financial year which give a true and fair view of the state of the affairs and of the surplus or deficit of the organisation for that year. In preparing these, the LGYH Council Members are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the organisation will continue in operation.

The LGYH Council Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation and to enable them to ensure that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992.

The LGYH Council Members also confirm that, as far as they are aware, there is no relevant audit information of which the organisation's auditors are unaware and they have taken all steps that they ought to have taken as LGYH Council Members in order to make themselves aware of any relevant audit information and to establish that the organisation's auditors are aware of that information.

3 Debtors

	2015 £	2014 £
Trade debtors	7,710	72,962
VAT	7,269	5,978
Prepayments and accrued income	70,217	32,635
Pension contributions due from members	2,715,000	-
	<u>2,800,196</u>	<u>111,575</u>

4 Creditors

	2015 £	2014 £
Trade creditors	-	191
Pension contributions due	2,715,000	-
Accruals and deferred income	530,827	756,878
	<u>3,245,827</u>	<u>757,069</u>

5 General reserve

	2015 £	2014 £
General reserve brought forward	539,359	640,229
General deficit for year	(117,955)	(100,870)
General reserve carried forward	<u>421,404</u>	<u>539,359</u>

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

6 Pension costs – West Yorkshire Pension Fund

During the year the organisation participated in the West Yorkshire Pension Fund (WYPF). WYPF is a multi-employer defined benefit scheme. The scheme is funded and is contracted out of the state scheme. The last full actuarial valuation of the scheme was carried out on 31 March 2015 by professionally qualified actuaries, Hewitt Associates Limited.

Both employer and employee have contributed at a combined rate of 27.4% of pensionable salaries during the year ended 31 March 2014. The organisation paid contributions at the rate of 20% during the year. Member contributions for the year were paid at a rate of between 6.5% and 9.9%.

During the year the organisation exited the pension scheme. At the year end, £2,715,000 was due to the pension fund and is included within creditors. The organisation is funding this via contributions from organisation members, which total £2,715,000 and are included within debtors. As such, at 31 March 2015, the scheme liabilities were calculated based on a settlement figure. The remaining deficit relates to unfunded pension obligations.

The major assumptions used by the actuaries were:

	31 March 2015	31 March 2014	31 March 2013
Rate of increase in salaries	3.3%	3.9%	4.7%
Rate of increase in pensions in payment	1.8%	2.4%	2.8%
Discount rate	3.2%	4.3%	4.5%
Inflation assumption (CPI)	1.8%	2.4%	2.8%

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

6 Pension costs – West Yorkshire Pension Fund (continued)

	Long term rate of return expected	Value at 31 March 2015 £	Long term rate of return expected	Value at 31 March 2014 £	Long term rate of return expected	Value at 31 March 2013 £
Equities	n/a	-	7.6%	7,624,260	7.8%	7,198,477
Government bonds	n/a	-	3.4%	1,028,670	2.8%	1,258,972
Other bonds	n/a	-	4.0%	554,675	3.8%	609,180
Property	n/a	-	6.9%	302,550	7.3%	335,049
Cash/liquidity	n/a	-	0.9%	272,295	0.9%	294,437
Other	n/a	-	7.6%	302,550	7.8%	456,885
Total market value of assets		-		10,085,000		10,153,000
Present value of scheme liabilities		(94,000)		(10,480,000)		(12,691,000)
Deficit in the scheme		(94,000)		(395,000)		(2,538,000)
Net pension liability		(94,000)		(395,000)		(2,538,000)

Analysis of the amounts charged to the income and expenditure account

	2015 £	2014 £
Current service cost	61,000	90,000
Expected return on pension scheme assets	673,000	681,000
Interest on pension scheme liabilities	(446,000)	(567,000)
Net charge	227,000	114,000

Movement in deficit during the year

	2015 £	2014 £
Deficit at beginning of year	(395,000)	(2,538,000)
Current service cost	(61,000)	(90,000)
Employers contributions	1,820,000	287,000
Past service cost and settlements	(1,463,000)	(43,000)
Net interest/return on assets	227,000	114,000
Actuarial (loss)/gain	(222,000)	1,875,000
Deficit at end of year	(94,000)	(395,000)

LOCAL GOVERNMENT YORKSHIRE AND HUMBER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

7 Related Party Transactions

Local Government Yorkshire and Humber ('LGYH') exists to promote effective working between its member organisations. These member organisations provide the majority of LGYH's income, comprising subscriptions, levies and payments for specific services.

8 Financial commitments

At 31 March 2015, the organisation had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2015	2014
	£	£
Expiry date:		
Within one year	-	19,000
	<u>-</u>	<u>19,000</u>