

**CAMBRIDGESHIRE HORIZONS**

**Agenda Item No: 8**

**Cambridgeshire Horizons Limited Directors' Report and financial statements 31  
March 2010**

*To:* **Cambridgeshire Horizons Board**

*Date:* **29th September 2010**

*From:* **Ivan Matthews**

*Purpose:* **The ARM recommends the approval of the statutory  
accounts by the Board**

*Recommendation:*

- That the ARM recommends that the accounts are approved at the September Board meeting.

**Cambridgeshire Horizons Limited**

Directors' report and financial  
statements

Registered number 05201320

31 March 2010

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## Chairman's statement

This report summarises Cambridgeshire Horizons Ltd activity and use of resources between 1<sup>st</sup> April 2009 and 31<sup>st</sup> March 2010.

I am pleased to say that there are some positive signs of the economic recovery in the Housing Sector. That is reflected in the increase in house building in the quarter ending in December 2009 and the fact that house prices have stabilised.

This state of affairs is in contrast to my Chairman's Statement last year 2008/2009 when I reported a significant slow down in progress across all major development sites.

I also said last year that sites which had been started in previous years such as Cambourne, Loves Farm and Orchard Park had experienced difficulty in progressing at all. During this last year, all those sites have recommenced and progress is good.

We will never be complacent about our objectives and it is perfectly clear that, for Cambridgeshire as a whole, the economic situation remains serious and could have an effect on our expectations of delivery against our agreed timetable.

Nonetheless, I am confident that, with the right economic conditions and response from the market, the challenging objective of building 73,300 homes by 2021 is obtainable. I am particularly mindful of the major developments which will take place in Northstowe and the fringe sites around Cambridge which will accelerate the annual house building programme in the next few years. It should also be remembered that over 26,000 new homes have been built between 2001 and 2009 and that is over 35% of the housing target for Cambridgeshire to 2021 stated in the original Regional Spatial Strategy.

The outcome of the appeals on the Clay Farm/Glebe Farm sites (total around 2550 homes) was announced on the 26<sup>th</sup> February 2010. The Secretary of State upheld the authorities' requirements in respect of 40% of affordable housing and community infrastructure contributions. This decision is of special significance as had the figure of 40% been compromised it would have undermined the housing policy for Cambridge and South Cambs and had a knock on effect on policies designed to deliver affordable homes throughout the County.

There were two major disappointments in the year:

First of all, we were told by the Government in July 2009 that in line with other Growth Areas we would have to suffer a 43% cut in our Housing Growth Fund Capital Programme. That resulted in a reduced funding programme for infrastructure, development and regeneration throughout the County.

Secondly, the largest strategic development site in Cambridgeshire, Cambridge East, is not going to be available in the near future. The Marshall Group working with Horizons, the local authorities and Government explored several alternative sites for the aerospace business, including Mildenhall, Waterbeach and Wyton.

None of these has proven to be feasible in the company's view and Marshall therefore announced before Easter that the airport and aerospace operations will remain on the current site for the foreseeable future, although the company has not ruled out that circumstances may

change. The policy implications of this decision will be discussed by the local authorities through the appropriate fora.

Whilst greater detail on the various developments is covered in the Directors' report, it is essential that I acknowledge that the largest projects are centered on Cambridge City Council and South Cambridgeshire District Council. Housing projects which are also critical to our objectives are in the market towns within Huntingdonshire, East Cambridgeshire and Fenland District Councils.

All these District Councils, together with the essential support of the County Council, form the strong partnership which is so important to the success of Cambridgeshire Horizons as the Local Delivery Vehicle for the largest Housing Growth Area within the UK.

We also enjoy a key relationship with the Homes and Communities Agency and with central Government departments.

Maintaining our close relationship with all our partners is vital to our success. By increasing the levels of mutual trust we will be able to find solutions to problems around housing, climate change and infrastructure notwithstanding the inevitable reduction in public sector funding, such an approach will enable us to overcome many of the hurdles we face in seeking to deliver sustainable high-quality communities in more difficult times.

At the end of March this year, we saw John Onslow, our Director for Development and Deputy Chief Executive, move to the County Council on secondment as Executive Director for the Environment for a twelve month period. I am hugely grateful for the work John has done with us over the past few years. He is succeeded by John Williamson who comes to us from the Government Office for the East of England.

Finally, may I thank everyone in the Horizons team, the Directors and Board members for their hard work, loyalty and support throughout the year.

**Sir David Trippier**  
**Chairman**  
**Date: 29<sup>th</sup> September 2010**

## Officers and professional advisors

### Names

### Organisation

Sir David Trippier	Chairman
Alex Plant	Chief Executive, Cambridgeshire Horizons Limited
Cllr Sian Reid	Cambridge City Council
Cllr Jill Tuck	Cambridgeshire County Council
Cllr David Bard	South Cambridgeshire District Council
Cllr Fred Brown	East Cambridgeshire District Council
Cllr Alan Melton	Fenland District Council
Cllr Ian Bates	Huntingdonshire District Council
John Dix	Greater Cambridge Partnership
Stephen Cox	EEDA
John Bridge	Cambridgeshire Chamber of Commerce
Nigel Howlett	Housing Association Representative
Dr. Gareth Goodier	Addenbrooke's Hospital
Steve Sillery (resigned 22 <sup>nd</sup> July 2010)	Developers Representative
Simon Bishop (resigned 28 <sup>th</sup> September 2009)	Homes & Communities Agency
Steve Collins (appointed 28 <sup>th</sup> September 2009)	Homes & Communities Agency
Chris Banks (resigned 19 <sup>th</sup> January 2010)	Chief Executive NHS Cambridgeshire - Health Forum Representative
Dr Paul Zollinger-Read (appointed 19 <sup>th</sup> January 2010)	Chief Executive NHS Cambridgeshire - Health Forum Representative
Professor Ian Leslie (resigned 25 <sup>th</sup> February 2010)	Pro-Vice-Chancellor (Institutional Affairs) University of Cambridge
Professor Ian White (appointed 25 <sup>th</sup> February 2010)	Pro-Vice-Chancellor (Research) University of Cambridge

### Company Secretary

Mark Lloyd - Chief Executive, Cambridgeshire County Council

### Registered office

Endurance House  
Vision Park  
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Cambridge  
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### Bankers

HSBC Bank plc,  
PO Box 85,  
City Office,  
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### Solicitors

Taylor Vinters, Solicitors,  
Merlin Place,  
Milton Road,  
Cambridge CB4 0DP

### Auditors

Peters Elworthy & Moore,  
Salisbury House,  
Station Road,  
Cambridge CB1 2LA

## Directors' Report

The directors present their Annual Report and the audited financial statements for the year ended 31<sup>st</sup> March 2010.

### Commencement of Trading

The company began trading on the 1<sup>st</sup> April 2005 as a separate legal entity, as a private limited company, limited by guarantee. The company was formed by the six local authorities in the County, along with the East of England Development Agency and English Partnerships, in response to the need for a single body to coordinate the delivery of the Cambridge and Peterborough Structure Plan (published in 2003). The company was initially funded by a capital contribution from Cambridgeshire County Council of £421,081 to help with the set up costs and early stage finance needs.

The funding of the company on an ongoing basis is from three main sources - the six Local Authorities (Founders) (note that this does not include Peterborough City Council), the Homes & Communities Agency (HCA) through the growth funding programme that was formerly administered by Communities and Local Government (CLG), and grants from Partner organisations who are involved in Programmes, Projects or research studies. The funding from the local authorities is in the form of annual contributions towards the company's running costs (4%). The funding from the HCA is in the form of Growth Area/Housing Growth Funding, (capital and revenue) and revenue support for the company and for joint planning functions in some of the local authority partners, and accounts for 94% of income, whilst all other contributions are around 6% of income.

### Principal Activity

Cambridgeshire Horizons' principal activity is to respond to the critical housing and infrastructure challenges that we currently face. Under the leadership of Chairman Sir David Trippier and Chief Executive Alex Plant, the company is working to provide a co-ordinated and coherent housing and infrastructure programme that will ensure the delivery of sustainable new communities which will provide long-term benefits for all the people of Cambridgeshire.

In practical terms, Cambridgeshire Horizons is responsible for managing growth funding and driving the delivery of ambitious housing plans across the county. It is also the partnership body charged with delivering the 'Managing Growth' theme within Cambridgeshire's Local Area Agreement.

### Business Review

Objectives for 2009/10 were set out in the three-year Business Plan that was agreed by the Board in March 2008, covering the period April 2008 to March 2011. This Plan remains in place, although there have been some further changes to the programme of activity as a result of the changed economic climate. A full operational review of the company's main programmes and projects over 2009/10 is set out below.

### Operational Review

#### *Headline Achievements*

- Continued to oversee delivery against the key National Indicators for Growth within the Cambridgeshire Local Area Agreement (LAA), with Horizons performing the role of the strategic partnership for Cambridgeshire for the Managing Growth Theme (one of five within the LAA).
- Implemented new funding agreement and governance processes for projects funded under the 2008-9 Housing Growth Fund award (with Horizons taking on the accountability role formerly assumed by the Government under the old Growth Area Funding regime). Completion of the innovative £4.5m loan agreement with Trumpington Meadows Land Company, which has allowed the 1200 home development to move on more quickly than would have been possible otherwise.

This is a new approach in the use of our Housing Growth Fund that is incentivised to deliver new homes to an agreed target timetable.

- Re-prioritised the spend of Growth Funding from CLG for the 2009-11 period in response to the changed economic climate and the 43% reduction in the award for 2010/11 (following Government consultation).
- Established and rolled out a programme of training for Members and officers to meet the challenges of, and to embed, the Quality Charter for Growth with over 500 people having received training.
- Worked up proposals for a range of innovative financing options, including a proposed variable rate tariff, tax increment financing schemes, regional infrastructure funds (working with EEDA), and Local Asset Backed Vehicle.
- Strengthened the sense of partnership with all stakeholders, but particularly with the Local Authorities, recognising that Horizons is above all else a partnership organisation.
- Re-structured the finance team and recruited head of communications to sharpen focus on internal and external communications and linking project management to financial management more effectively.
- Implemented new funding agreements and governance processes for projects funded under the Housing Growth Fund (with Horizons taking on the accountability role formerly assumed by the Government under the old Growth Area Funding regime).
- Secured an initial award of nearly £29m of Growth Funding from CLG for the 2009-11 period in response to the refreshed Programme of Development for Cambridgeshire.
- Supported the local authorities in the successful appeal case on Clay Farm/Glebe Farm.
- Further refined and strengthened our project and programme management systems and the strategic risk assessment for all major developments and the growth agenda as a whole.
- Embedded the role of the Growth Partnership Board (covering the whole of Cambridgeshire) in the decision making process.
- Obtained Horizons Board approval, and agreement through all six local authorities, of the completed Integrated Development Programme that brings together economic and spatial priorities for Cambridgeshire, building on the Long Term Delivery Plan.
- Co-ordinated the commencement of the Local Investment Plan for Cambridgeshire, building on the strong evidence base provided by the IDP.

## **Major Developments Update**

### **Northstowe**

Key areas of work include:

#### *Proposed second wave Eco-Town*

£1.5 million grant was awarded for the delivery of two capital projects within the site envelope for Northstowe. The projects being supported include (a) Rampton Drift Retrofit programme - understanding the baseline carbon emissions generated by the 84 homes in this community and demonstrating how the carbon emissions can be reduced through energy efficiency measures, behavioural change and renewable energy technologies (b) a high profile information centre located at the Northstowe Park and Ride next to the St.Ives- Cambridge Guided Busway. The building will demonstrate design and technology standards and how to reduce carbon emissions and deliver a zero carbon building. Within this, an allocation of £365K has been allocated for Studies to support Northstowe reach the Eco-Town Planning Policy Standards.

#### *Communications and engagement*

The Joint Promoters for Northstowe, the Homes and Communities Agency and Gallagher, continued discussions during the whole of 09/10 on the long term delivery arrangements. During this time, there was agreement to continue to liaise on some key projects including the Northstowe Renewable Energy Project and Uttons Drove Land Drainage Solution.

The Northstowe Delivery Board met three times and, supported by the Northstowe Communications Group shared and coordinated press releases to keep the local communities up to date with progress on the talks between HCA and Gallaghers.

*Unblocking Barriers:*

- Uttons Drove Sustainable Land Drainage Solution has moved forward with early stage funding from Horizons and with Horizons 'holding the ring' between a wide range of stakeholders all seeking to deliver a cheaper and lower carbon solution for drainage issues for Cambourne and Northstowe. Further modelling was required on site to ensure that the Solution was technically robust and acceptable to the local communities and now the first stage of works is due to start summer 2010.

*Exemplar sustainability projects:*

- The Low Carbon Development Initiative (LCDI), a regional initiative supported by Housing Growth Funds and European Regional Development Funds (ERDF), was established to develop a pipeline of community scale renewable energy projects. This Special Purpose Vehicle will look to bring forward and support a range of projects across Cambridgeshire Growth Sites, with the Northstowe site-wide renewable energy solution being the first project to be fleshed out.

**North-West Cambridge Fringe Sites**

- Work has begun on the first development, 187 new homes on the NIAB "frontage" site. By agreement with the developers, determination of the application for the "main" NIAB site (1,593 homes) was held over pending the outcome of the planning appeal on the Clay Farm and Glebe Farm developments (Cambridge Southern Fringe). The adjoining "NIAB Extra" site has now been allocated for development of up to 1,200 new homes, enabling many of the planning and infrastructure issues for the whole of the North-West Sector to be overcome. The total development potential for the NIAB sites is around 3,000 homes.
- The Area Action Plan (AAP) for the North West Cambridge University development between Maddingley Road and Huntingdon Road was adopted by Cambridge City and South Cambridgeshire District Councils in October 2009. The AAP provides for up to 3,000 new homes (with 50% for University key workers) and 2,000 units of student accommodation. A master plan is being prepared by the University and a planning application is anticipated later in the year.
- The review of development potential of the North-East Fringe area continues. Development of the area will be on a smaller scale, but is likely to include important strategic transport uses, plus potentially community and / or employment uses. Cambridge City and South Cambridgeshire Council's are working to prepare a joint Area Action Plan.

**Cambridge Southern Fringe**

- The section 106 agreement and Housing Growth Fund (HGF) loan agreement were completed for the outline permission for Trumpington Meadows (1,200 new homes) in October 2009. The loan agreement is an innovative use of HGF capital designed to secure house building to higher levels of the Code for Sustainable Homes than Building Regulations currently require, and the interest rates on the loan are incentivised to encourage delivery of houses by a schedule of given dates (100 new homes 'practically complete' by Sep 2012; 200 by Sep 2013; 300 by Sep 2014).
- Countryside Properties appealed against non-determination in relation to development of Clay Farm (2,300 homes) and Glebe Farm (350 homes). The principal area of dispute was viability in the current market, and more particularly on the ability of the development to finance the required 40% affordable homes. A public inquiry was held in the Autumn of 2009, and the Secretary of State's decision was announced in March 2010. The Secretary of State upheld the Council's affordable housing policy and set a nationally significant precedent for land values in viability assessments to be based on current – and not historic – land values, even though a higher price may have previously been paid. Development at Glebe Farm was to be supported by Kickstart Round 2 funding, but the scheme remains in the reserve list at present. We continue to investigate options for supporting the development through HGF funding

- In parallel, planning permission for over 8,000 new homes has been granted for the Cambridge Biomedical Campus at Addenbrooke's Hospital. This site is a short distance from the majority of the new homes in the Southern Fringe and it is hoped that early delivery of these new homes will enable the establishment of sustainable travel patterns from the outset, rather than allowing the Biomedical Campus development to add to Cambridge's commuter pressures.

### **Cambridge East**

On 1<sup>st</sup> April, 2010 Marshall announced that it will not be relocating its businesses from their current location at Cambridge Airport.

Over the last few years, the company examined many potential relocation sites in the local area, but has concluded that, in the immediate future, there are no suitable relocation options open to it.

### **Strategic Infrastructure**

- Green Infrastructure – The Review of the existing strategy continues. A public consultation during January to March 2010 generated over 800 responses and a second draft is underway. The Review is bringing together infrastructure planning and delivery and exploring the role of Green Infrastructure to deliver benefits for adaption and mitigation of climate change, health, economic development and growth.
- Water cycle strategy: Horizons has supported development of three water cycle strategies covering Cambridgeshire including the major sites in and around Cambridge, East Cambs and Fenland and Huntingdonshire. All of these strategies are now moving into the detailed infrastructure planning. These seek to find the most sustainable ways to manage water and future-proof new developments. They also provide frameworks for the delivery of key water services infrastructure (waste, flood risk and water resource management).
- The opportunity to set up a Carbon Offset Fund is being explored to identify how carbon dioxide emissions arising initially from the growth agenda can be delivered in the most cost effective and efficient way. Options are being explored as to how this could work for Cambridgeshire and provide a mechanism for developer contributions to help investment in low carbon infrastructure in the most effective way.
- The costs and benefits to delivering forty new public buildings arising from the growth Agenda, to zero carbon standards ahead of the Code for non-domestic buildings was started. This project will look at the whole life cycle costs of public buildings to understand if it makes good financial sense to build at zero carbon standards before legislation requires it.
- Contributed to the Cambridgeshire Transport Commission work, ensuring linkages between growth agenda and Transport Innovation Fund proposals are fully understood.
- Chief Executive has provided advice on growth issues to the Joint Transport Forum.
- Launched our sub-regional Strategic Housing Market Assessment, including updating and developing the assessment itself and additional spin-off projects including our Housing Market Bulletin (several editions now published on our website) and Size Guide. The Housing Market Bulletin has been particularly well received.
- Worked with the Housing Corporation (now HCA) and partners to implement the "Cambridge Challenge" and develop our working relationship with Cambridgeshire Partnerships Limited (CPL), who won the competition and are the affordable housing providers on three of our strategic housing sites. Horizons supported the CIF2 bid for CB1 Cambridge Gateway with £1.5m of HGF funding that will enhance a developer-led scheme to redevelop the station area of the city.
- Contributed to the Cambridgeshire Transport Commission work, ensuring linkages between growth agenda and Transport Innovation Fund proposals are fully understood.
- Following the successful bid for £3m of CIF2 funding for CB1 Cambridge Gateway, the Horizons Board has re-affirmed £1.5m of HGF funds to support the project. It will enhance a developer-led scheme to redevelop the station area of the city.
- Initial brief developed for a renewable energy infrastructure programme.

### *Quality Charter*

- Launched the Quality Charter Training Programme in December 2008. In its first year over 500 people attended the learning and development sessions, which included seminars, workshops, briefings, debates, leadership master classes and study visits.
- Currently redeveloping the training programme for 2010-11 to offer a 'Prospectus' approach with a focus on active learning. This new learning and development programme will offer learning opportunities on the following key themes: community building & social capital; housing; development viability & finance; public realm management; sustainable transport & place making; design review; and sharing learning.
- Ran a programme to encourage the embedding of the Quality Charter in local authority planning and monitoring processes.
- Held a series of workshops on the theme of 'Transforming Utilities' for local authority officers in planning, finance and legal teams to further understanding and share experience of procuring renewable energy infrastructure for new developments.
- Set up and launched a new Cambridgeshire Quality Panel, launched formally in April 2010, which will provide a consistent approach to design and development review of the major growth sites in Cambridgeshire. The Quality Panel consists of 12 professionals with a variety of skills including architecture, landscaping, renewable energy and urban design.

### *Quality of Life Strategies and Studies*

- Culture – Set up and managed the Cambridgeshire Culture Task Group, part of the Cambridgeshire Together Economic Prosperity Partnership. The Culture Task Group offers a county-wide voice and vision for culture with a long-term strategic aim of improving quality of life for residents and visitors, while also delivering against Local Area Agreement culture targets and indicators in the shorter term.
- Given the slow down in development, Horizons has led a prioritisation process for arts and cultural facilities provision to ensure more targeted support for key facilities.
- Sports Strategy - Horizons set up and chairs a stakeholder development group for the proposed community stadium. The group is now liaising with local clubs and developers and giving further detailed consideration to site options. Horizons is also steering a feasibility study for an ice rink for Cambridge.
- Arts & Culture strategy - Horizons and local authorities continue to support the development of plans for a major arts and conference venue for Cambridge. Plans for a creative industries hub are being developed by Wysing Arts with linkages to the major arts and conference venue being explored.
- Work also progressed on other aspects of the arts and sports strategies, although implementation has been delayed due to the slow down in development.
- Horizons continued to support the East of England Faiths Council to promote the Faith Facilities in New Communities study at regional and national levels.

### *Housing Growth Fund and other Funding*

- £29m HGF award for 09-11 was the highest for any single growth area in the country. However this has been reduced to around £23m because of a cut of some £6m, following a decision by the Housing Minister to re-allocate funding. The Horizons Board met in December 2009, following an extensive partnership-wide review of the programme, led by Horizons, and agreed quickly how to redistribute funding across the programme without jeopardising key elements.
- Joint Planning Budget continues to support 27 staff at South Cambridgeshire District Council, Cambridgeshire County Council and Cambridge City Council.

### *Staffing and Organisational matters*

- John Onslow has taken a year long secondment to Cambridgeshire County Council, and John Williamson has been seconded from GO-East to cover his post.

- Working practices between finance and admin across the broader project team have been reviewed and work is ongoing to continue to improve cross-team working.
- A new Admin Assistant has been taken on as a part of the Future Jobs Fund campaign, which provides funding for the part-time post for six months.
- An effective job-share arrangement is now in place to cover the Quality of Life Project Managers role.
- A Quality Circle has been formed to review internal processes and procedures to increase efficiency and delivery of innovative new ways to improve the organisation's performance.
- Signed up to 10:10 and the Cambridge Climate Charter and we are working hard to reduce our carbon footprint further.
- Took part in our first volunteering day, where a team from Horizons helped with shrub clearance at Wicken Fen, to not only participate in volunteering, but also to learn more about projects supported by Housing Growth Funding.

### *Communications*

- Horizons ran another successful Annual Conference and significantly increased the number of delegates travelling to the event by public transport, bike or on foot.
- Ongoing development of the Horizons website since its launch in January 2009. Visitor numbers have increased by approximately 50% since the new website was launched. Additional video content is now being added to the website to increase accessibility.
- Photo Library developed further to include new development sites and provide a more representative view of the county and its residents. Images shared with partners.
- Delivered a successful programme of Green Infrastructure public consultation events across the county, including promotion via Twitter, PR, posters and newspaper advertisements.
- Bi-monthly E-newsletter delivered to over 900 people, with positive feedback from readers.
- Development of a new way of delivering training underway, following the completion of a successful year of Quality Charter training events (with the promotional and operation side managed by the Communications Team).
- Ongoing positive PR has been generated via proactive and reactive channels.
- The formal media monitoring system has been updated to effectively monitor coverage, whilst cutting costs, and the appropriate NLA licence has been obtained. Going forward we are looking at joint procurement of this service to save more money.
- We have moved further into the social media arena utilising free channels such as Twitter, which now has 295 followers, a regular blog and a You Tube channel.
- The Cambridgeshire Partnership Communications Group has been re-launched to encompass the six Cambridgeshire Local Authorities, Cambridgeshire Together, Cambridgeshire Police, Cambs Fire and Rescue Service, NHS Cambridgeshire, the HCA, and an affordable housing representative. The group meets quarterly to share best practice, support campaigns, look at cost savings and joint working, and learn from each other.
- A multi-media campaign led to the successful recruitment of Quality Panel members.
- Support has been given to the local authorities as required for community engagement work. Something we will be looking to develop over the coming months, as required.
- Created a set of Horizons Corporate Values, in conjunction with the team and Horizons Board.
- Promoted (and celebrated) Horizons' 5<sup>th</sup> anniversary, providing us with an opportunity to review all of the work that has been delivered within that time.
- Created a first draft renewable energy awareness raising campaign, following on from a resident's survey carried out in summer 2009. This work will be continued into 2010.

**Progress against key workstreams 2008 – 2011**

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
<p><b>Key Strategies and Cross Cutting Studies</b></p>	<p>Long Term Delivery Plan</p>	<p><i>Exploration of options for future funding arising from LTDP including tariff and innovative funding mechanisms and rolling fund</i></p>	<p><i>July 08</i></p>	<p>Horizons</p>	<p>Horizons Board approved progression of Variable Tariff work in March 2009. Government-led Community Infrastructure Levy (CIL) emerged as more legally robust alternative. Horizons-led joint response to Community Infrastructure Levy consultation submitted October 2009. Pilot Group formed to prepare for CIL. Final regulations for CIL came into force April 2010. Investigation of Regional Infrastructure Fund and Social Bonds ongoing. Bid submitted to government for Tax Increment Finance pilot scheme in April 2009, in partnership with Cambridge City Council &amp; Cambridgeshire County Council.</p>
		<p><i>Assessment of growth implications on local authorities budgets</i></p>	<p><i>Mid 2008</i></p>	<p>County Council (other authorities)</p>	<p>Resource planning ongoing as part of the Making Cambridgeshire Count work.</p>

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
		<i>Low Carbon futures assessment of LTDP</i>	<i>March 2008</i>	Horizons	Actions suggested in Low Carbon Appraisal of LTDP being progressed. Potential for a Carbon Offset Fund to aid delivery of zero carbon being explored. Consultants appointed January 2010, report to go to Horizons Board in July 2010. Cost Benefit Analysis of delivering public buildings to zero carbon also being investigated, consultants appointed April 2010.
		<i>Review LTDP infrastructure to accommodate sustainable development infrastructure planning</i>	<i>July 08</i>	Horizons	Integrated Development Programme prepared with support from EEDA and Greater Cambridge Partnership, to set out strategic infrastructure required by growth agenda, including green infrastructure, renewable energy and arts & culture. Final version agreed by all Local Authorities then signed off by Horizons Board in December 2009.
	Cambridgeshire Transport Strategy	<i>Support County in adoption of Cambridgeshire transport strategy, including TIF</i>	<i>Dec 09</i>	County Council	Horizons providing support to Transport Forum in examining alternative funding sources following the scrapping of the Transport Innovation Fund.
	Waste and Minerals	<i>Adoption of LDF</i>	<i>Dec 10</i>	County Council	Consultation on additional sites ended in March 2009.

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
	Quality Growth	Organisations to sign up to Quality Charter	June 08	Cambridgeshire Horizons	Quality Charter launched and further work in rolling out Charter progressing.
	Water	Complete Water Cycle Strategy Stage 1 and commission Stage 2	Mid 08	Horizons / Environment Agency	Structure of draft Strategy under discussion and timescales for delivery agreed.  Scott Wilson appointed Consultants for East Cambs and Fenland WCS in Jan 2010.
	Climate Change	Best practice on adoption of SUDS	Dec 08	Horizons	City Council; have produced SUDs guide. We are working with City and AWS on further work.
	Education	To develop low carbon infrastructure plans for Growth to reduce CO2 emissions and to support climate change adaptation		Horizons (local authorities)	Review of the Green Infrastructure Strategy, Water Cycle Strategies, Uttons Drove and Renewable Energy Infrastructure Plans. Discussions are ongoing.
<b>Strategic Infrastructure</b>	Community Infrastructure	Strategy to identify post 16 requirements	July 08	LSC (Colleges)	
		Study to identify community infrastructure needs and management of facilities and open spaces	Sept 08	Horizons	Community Technical Manager appointed. Work ongoing to identify procurement framework.
	A428	Agree strategy for Caxton – AI	Summer 08	Horizons (County Council, Highways Agency)	Study completed and forwarded to Regional Transport Strategy work. Also informing work on master plan for St Neots eco-extension.
	A14 Ellington – Fen Ditton Improvement	Publication of Orders	2010	Highways Agency	Orders were issued in October; public inquiry

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
		<i>Start of construction of scheme</i>	<i>2010/11</i>		planned for July 2010. Start on site won't be until at least 2012.
	Thameslink 2000 Rail Improvements	<i>Completion of scheme</i>	<i>Timescale to be identified</i>	Network Rail	Ongoing programme of works to 2015.
	Cambridgeshire Guided Busway (CGB)	<i>Completion of St Ives to Cambridge and Cambridge to Trumpington sections</i>	<i>Spring 09</i>	County Council	Handover of CGB delayed by weather and construction issues. No date for handover or opening announced.
		<i>Completion of Cambridge on street works</i>	<i>Spring 09</i>		
		<i>Completion of Hunts on street works</i>	<i>Spring 09</i>		
	Chesterton Station	<i>Completion of scheme</i>	<i>Timescale to be identified</i>	County Council	£19.8 million funding for Chesterton Station included in Regional Funding Allocation proposals, to come forward in 2013/14.
	Electricity Supply	<i>Completion of new electricity grid station for Cambridge North</i>	<i>Spring 09</i>	EDF Energy	Complete.
	Strategic green infrastructure projects	<i>Guided Busway green corridor - Publication of Orders</i>	<i>2010</i>	County Council	Linked to completion and handover of the Guided Busway, which is subject to on-going negotiations between the contractor and the County Council. The Guideway planting and Ecological Mitigation Areas has been completed.

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
		<p><i>Cambridge Sports Lakes - Start of construction of scheme</i></p> <p><i>Wicken Fen Vision - Completion of scheme</i></p>	<p>2010/11</p>	<p>Cambridge Sports Lakes Trust</p>	-
		<p><i>Agreement of Cultural Vision and Action plan</i></p> <p><i>Collect 'place intelligence' for economic viability study of cultural facilities for Cambridgeshire</i></p>	<p><i>Timescale to be identified</i></p> <p>August 2010</p> <p>Feb 2011</p>	<p>National Trust</p> <p>Culture Task Group Cambridgeshire Horizons</p>	<p>-</p> <p>The Culture Task Group (CTG) has held 3 successful meetings. During the early part of 2010 the group completed a review of its services through the Culture and Sport Improvement Toolkit. In April 2010 the CTG agreed 4 improvement actions. Work is now being undertaken to deliver these actions through joint working. A key role for Horizons is the development of an economic modelling report on the development and feasibility of joint use community facilities to improve viability and sustainable income for local authorities.</p>
	Strategic sports projects	<p><i>Establish a representative project group to explore issue</i></p> <p><i>Prepare business case for Stadium</i></p>	<p>September 2010</p> <p>January 2011</p>	Grosvenor	<p>Review of existing, possible locations plus any additional ones for a new stadium, and understanding experience and lessons from delivering community stadia elsewhere in the UK.</p>
	Strategic health projects	<p><i>Start on implementation of Addenbrooke's 2020</i></p> <p><i>Begin Papworth relocation</i></p> <p><i>Start construction new Papworth hospital</i></p>	<p>On going</p> <p>Dec 10</p> <p>Early 10</p>		<p>Planning permission granted and construction commenced.</p>

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
Major Developments - Northstowe	Renewable energy for Northstowe	Evidenced options worked up to culminate in submission of planning applications for renewables	March 10	Horizons	A revised Business Case for site wide renewable energy solutions for Northstowe accounting for changes in the definition for zero carbon and the new feed in tariff.
	Planning	Revise masterplan in light of consultation	Autumn 08	Joint Committee/Developers	
		Determine Planning Application	Dec 08	Joint Committee	Slowed by recession, revised application to be submitted.
	Construction	Commence Infrastructure & Construction	Early 09	Developers	Not started.
		1 <sup>st</sup> housing occupation	Early 10	County Council	Not started.
		1 <sup>st</sup> school open	Sept 10	County Council	Not started.
	A14 Interim Measures	1 <sup>st</sup> Community Centre open	Late 09	County Council / SCDC	Not started.
		Partners to agree interim measures	March 08	Horizons (Gallagher, EP, Highways Agency, County Council, SCDC)	Not started.
		Implement interim measures	Early 2009 – 2013		
	Northstowe Development Trust	Establish not-for-profit company / appoint Shadow Board	March 08	SCDC (Gallagher, EP, County Council, Horizons)	Work on community trust currently on-hold pending review of community infrastructure implementation.
2008 +				Wider community engagement underway led by S Cams.	
Engage with local communities/villages and appoint permanent trustees		Mid 2009			
Major Developments - Cambridge Southern Fringe	Coordination	Resolution of Section 106 requirements	April 08	Horizons (Local authorities)	Held up during appeal.
	Clay Farm	Determine Outline Planning Application	April 08	Fringes Joint Committee	Resolution to grant outline planning permission in May 2008. S106 discussions delayed by appeal.
		Start on site	Late 08	Developer	Potential for start on site in

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
		<i>1<sup>st</sup> housing occupation</i>	<i>Late 09</i>	Developer	late 2010, subject to equity investment agreement and S106; first occupations 2012.
		<i>Community Centre open (c. 600<sup>th</sup> house)</i>	<i>2011</i>	City Council / County Council	Both will be later because of later commencement of development.
	Glebe Farm	<i>Secondary School open</i>	<i>Sept 2012</i>	County Council	Resolution to grant full planning permission in April 2010. S106 Discussions on delivery linked to HCA Kickstart funding and Clay Farm.
		<i>Submit Outline Planning Application</i>	<i>April 08</i>	Developer	
	Trumpington Meadows	<i>Determine Outline Planning Application</i>	<i>July 08</i>	Fringes Joint Committee	
		<i>Start on site</i>	<i>Late 08</i>	Developer	
		<i>1<sup>st</sup> housing occupation</i>	<i>Late 09</i>	Developer	Outline planning permission granted Oct 2009 when 106 and HGF loan agreement were completed. First housing occupation Sep 2012.
		<i>Primary school open</i>	<i>Sept 10</i>	County Council	
	Bell School	<i>Determine Outline Planning Application</i>	<i>April 08</i>	City Council	Resolution to grant outline planning permission in June 2008. S106 discussions have been delayed by viability concerns due to the economic downturn.
		<i>Start on site</i>	<i>TBC</i>	Developer	
<i>1<sup>st</sup> housing occupation</i>		<i>TBC</i>	Developer		
Addenbrooke's	<i>Start MRC construction</i>	<i>Mid 08</i>	NHS	106 agreement completed and work commenced on the 'boulevard' through the site linking to the AAR.	
	<i>Access Road Construction Complete</i>	<i>Spring 09</i>	County Council		
	<i>Start construction new Papworth hospital</i>	<i>Early 2010</i>	NHS		
Major Developments – North-West Cambridge	Coordination	<i>Prepare Delivery Plan</i>	<i>Mid 08</i>	Horizons	Delivery Board abandoned and replaced by alternative management forum (Senior Officer Board).

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
	Planning	<i>Section 106 Agreement</i>	<i>July 08</i>	Joint (Horizons) Committee	The outline planning application for NIAB has not been determined pending release of the outcome of the Clay Farm appeal. Outstanding issues re: Secondary School and transport. Viability questioned due to economic downturn, discussions ongoing. Possible future use of HGF if funds available.
		<i>Determine Planning Application Adoption of AAP</i>	<i>Aug 08</i>	Fringes Joint Committee	
			<i>Dec 08</i>	S Cambs DC	
	Construction	<i>Start house building (City Area)</i>	<i>Early 09</i>	Developer	Joint AAP adopted by Cambridge City and SCDC Oct 2009.
<b>Major Developments – Cambridge East</b>	Coordination	<i>Prepare Delivery Plan</i>	<i>Dec 08</i>	Horizons	Marshall has announced it is not now likely to relocate its aerospace activities to Mildenhall or anywhere else for the foreseeable future.  At meeting 12 March 2009, Marshall agreed to bring forward alternative proposals for relocation within 4 months.  Progress on smaller sites linked to relocation solution for the main airport site.
	Transport strategy	<i>Agreement of strategy</i>	<i>Dec 08</i>	County Council	
	Strategic Masterplan	<i>Agreement of Spatial Masterplan</i>	<i>Late 08</i>	City Council / SCDC	
	Relocation of Airport	<i>Decision on relocating of airport</i>	<i>End 08</i>	Marshall	
	North of Newmarket Road	<i>Submission of Outline Planning Application</i>	<i>Late 08</i>	Marshall	
		<i>Determination Outline Application</i>	<i>Mid 09</i>	Joint committee	
	North of Cherry Hinton	<i>Start of Construction</i>	<i>Late 09</i>	Marshall	
		<i>Submission of Outline Planning Application</i>	<i>Late 08</i>	Marshall	
		<i>Determination Outline Application</i>	<i>Mid 09</i>	Joint committee	
		<i>Start of Construction</i>	<i>Late 09</i>	Marshall	
<b>Major Developments – Cambridge Northern Fringe East</b>	Local Development Plan (Area Action Plan)	<i>Prepare Issues and Options report for Joint Area Action Plan</i>	Dates to be confirmed	Cambridge City Council and South Cambs DC	CNFE has now been removed from City and South Cambs planning policy as a housing-led site, joint AAP

Programme	Project	Target	Date	Lead Responsibility (Joint responsibility)	Progress at March 2010
					focussing on non-residential uses to be brought forward in 2010.
<b>Major Developments – Market Towns and Rural</b>	Huntingdon, Northbridge	<i>Determine Planning Application Start on site</i>	<i>Mid 10</i>	Huntingdonshire Council	Progress has been slow, discussions are ongoing with HDC and the Highways Agency. Not started. Highways Agency stop on development pending improvement to A14. Not started. Around one third of the planned 1,400 homes were completed by March 2010, supported by HCA Kickstart funding and other grants. To be considered as part of Shaping Fenland. Masterplan complete late 2009.
		<i>1<sup>st</sup> housing occupation</i>	<i>Dates to be confirmed</i>	Gallagher	
			<i>Dates to be confirmed</i>		
	St Neots, Loves Farm	<i>Completion of houses supported by Kickstart funding</i>	<i>Dates to be confirmed</i>	Huntingdonshire DC	
	Chatteris		<i>Ongoing</i>	Fenland DC	
	Ely		<i>Ongoing</i>	East Cambs DC	
	Cambourne	<i>Granting of planning permission for 950 homes.</i>	<i>Autumn 2010</i>	South Cambs DC	Application submitted for a further 950 homes within the existing site footprint.
<b>Communicating Sustainable Growth</b>	Revised strategy for promoting the benefits of growth	<i>Implement strategy</i>	<i>April 08</i>	Horizons	Strategy and key messages agreed by Horizons Board and we are now implementing the work. New website reflects the strategy.

## **Directors' report** *(continued)*

### **Looking ahead**

The three-year Business Plan for the period April 2008 – March 2011 agreed by the Board in 2008 remains relevant, although some of the focus of our activity has necessarily shifted in response to the recession.

As a result of the downturn, it is even more critical that we work with our partners to deliver the overarching objectives in the three-year Plan with those objectives being shared between Cambridgeshire Horizons and our partners. Cambridgeshire Horizons has now been tasked with overseeing the delivery of the key National Indicators pertaining to growth in Cambridgeshire's Local Area Agreement. Monitoring of these targets will fall to the Horizons Board, reporting to the LAA Board, with the relevant partner organisations supporting our work in this and other areas. However, it is recognised that some of the changes to the economic situation, beyond our control, may impact on the number of homes coming through.

### **Corporate Governance**

The members of the Executive Committee or Board are listed on page 4.

The members of the Audit and Risk Management Committee are:

John Bridge	(Chair), Cambridgeshire Chambers of Commerce
Alex Plant	Chief Executive, Cambridgeshire Horizons
Cllr Jill Tuck	Cambridgeshire County Council
Cllr Fred Brown	East Cambridgeshire District Council
Cllr Ian Bates	Huntingdonshire District Council
Cllr Alan Melton	Fenland District Council

The directors' responsibilities with regards to the preparation of financial statements are set out on page 23. During the period, the responsibility for the day-to-day financial management of the accounting records was delegated to the Chief Executive and the Business Support Manager. The Audit Committee ensures that the directors have established effective accounting records and proper accounting controls.

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditors**

In accordance with Section 485 of the Companies Act 2006 a resolution for the re-appointment of Peters Elworthy & Moore as auditors of the company is to be proposed at the forthcoming AGM.

Approved by the Board of Directors and signed on behalf of the Board

### **Alex Plant**

Chief Executive Officer, Cambridgeshire Horizons Limited

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent auditors' report to the members of Cambridgeshire Horizons Limited**

We have audited the financial statements of Cambridgeshire Horizons Limited for the year ended 31 March 2010, set out on pages 2 to 31. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with 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.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its Deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report to the members of Cambridgeshire Horizons Limited** *(continued)*

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Directors' report in accordance with the small companies regime.

Laragh Jeanroy (Senior statutory auditor)

for and on behalf of  
PETERS ELWORTHY & MOORE

Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date:

**Income and expenditure account**  
*for the year ended 31 March 2010*

	<i>Note</i>	<b>2010</b> £	2009 £
<b>Income</b>			
Contribution income	2	<b>3,489,715</b>	3,526,346
Interest receivable	3	<b>2,567</b>	23,569
		<hr/>	<hr/>
Total income		<b>3,492,282</b>	3,549,915
<b>Expenditure</b>			
Administrative expenses	4	<b>(3,554,107)</b>	(3,617,810)
		<hr/>	<hr/>
<b>Operating (deficit) before tax</b>	5	<b>(61,825)</b>	(67,895)
Taxation	7	<b>(767)</b>	(5,042)
		<hr/>	<hr/>
Operating (deficit) after tax	10	<b>(62,592)</b>	(72,937)
		<hr/> <hr/>	<hr/> <hr/>

There are no recognised gains or losses for the current or preceding year other than those disclosed above. All income and expenses included in the profit and loss account relate to continuing operations.

**Balance Sheet**  
**At 31 March 2010**

	<i>Note</i>	<b>2010</b> £	2009 £
<b>Current assets</b>			
Cash at bank and in hand		<b>1,493,798</b>	1,027,851
Debtors	8	<b>515,474</b>	1,493,625
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	9	<b>2,009,272</b> <b>(983,809)</b>	2,521,476 (1,433,421)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>1,025,463</b>	1,088,055
		<hr/> <hr/>	<hr/> <hr/>
<b>Capital and reserves</b>			
	10		
Income and expenditure account		<b>604,382</b>	666,974
Capital contribution reserve		<b>421,081</b>	421,081
		<hr/>	<hr/>
<b>Total capital and reserves</b>		<b>1,025,463</b>	1,088,055
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the board of directors and authorised for issue on 29<sup>th</sup> September 2010 and were signed on its behalf by:

**Alex Plant**  
*Chief Executive*

**Sir David Trippier**  
*Chairman*

Date 29<sup>th</sup> September 2010

Date 29<sup>th</sup> September 2010

## Statement of movements on reserves

	2010 £	2009 £
Balance at start of year	1,088,055	1,160,993
Retained (deficit)	<b>(62,592)</b>	(72,937)
	<hr/>	<hr/>
Balance at end of year	<b>1,025,463</b>	1,088,055
	<hr/> <hr/>	<hr/> <hr/>

## Notes

*(forming part of the financial statements)*

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

#### ***Format of the accounts***

In accordance with Section 474(2) of the Companies Act 2006, a statement of income and expenditure is presented as an alternative to the profit and loss account. The directors consider this gives a fair presentation of the financial transactions of the company, which is non-profit making.

#### ***Contribution Income***

Government grants and other contribution income are included within accruals and deferred income in the balance sheet and credited to income as the costs fall due.

#### ***Pension Costs***

The majority of the staff are employed by Cambridgeshire County Council and so are covered by the Cambridgeshire County Council Local Government Pension Scheme (LGPS). The amounts charged against profits represents the contributions payable to the scheme in respect of staff seconded to Cambridgeshire Horizons from Cambridgeshire County Council during the accounting period. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### ***Company status***

The company is limited by guarantee and has no share capital; the liability of each member is limited to £1.

#### ***Taxation***

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### ***Cash***

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

#### ***Going Concern***

The Directors have considered the information for the next 12 months and consider that the going concern basis is appropriate due to the ongoing commitments of the company and the funding received after date.

There is future uncertainty surrounding the continuing funding and operations of the company and this is subject to parliamentary reform of local government which at the date of signing is unknown.

The Directors recognise a requirement for flexibility to be able to respond to the changing situation.

**Notes** *(continued)*

**2. Contribution income**

	2010 £	2009 £
Partner contributions	147,000	147,000
External consultancy and other income	5,512	200
Government grant funding	3,337,203	3,379,146
	<u>3,489,715</u>	<u>3,526,346</u>

**3. Interest receivable**

	2010 £	2009 £
Bank interest	2,567	23,569
	<u>2,567</u>	<u>23,569</u>

**4. Administrative expenses**

	2010 £	2009 £
<b>Expenditure</b>		
Salaries	858,064	855,895
Accommodation	91,728	178,684
Travel and subsistence	16,659	24,900
Supplies and services	2,563,212	2,523,968
Support services	24,079	26,926
Financing charges	365	7,435
	<u>3,554,107</u>	<u>3,617,810</u>

Salaries represent staff seconded to Cambridgeshire Horizons from Cambridgeshire County Council billed as a recharge.

**5. Operating deficit**

	2010 £	2009 £
<b>Operating deficit is after charging:</b>		
Remuneration for Auditors of these financial statements	8,280	8,250
Auditors remuneration in respect of other services relating to:		
Tax (VAT & Corporation Tax advice) & Other services	1,250	1,000
	<u>1,250</u>	<u>1,000</u>

**Notes** *(continued)*

**6. Remuneration of directors**

	<b>2010</b>	2009
	<b>£</b>	£
Directors' emoluments	<b>138,380</b>	61,935
Company contributions to Local Government Pension Scheme	<b>21,933</b>	9,108
	<u><u>          </u></u>	<u><u>          </u></u>

**7. Taxation on the deficit for the year**

Taxation

*Analysis of charge in period*

	<b>2010</b>	2009
	<b>£</b>	£
<i>UK Corporation tax</i>		
Current tax on income for the period	<b>536</b>	4,725
Adjustment in respect of prior years	<b>231</b>	317
	<u><u>          </u></u>	<u><u>          </u></u>
Total current tax charge	<b><u>767</u></b>	<b><u>5,042</u></b>
	<u><u>          </u></u>	<u><u>          </u></u>

*Factors affecting the tax charge for the current period*

The current tax charge for the period differs from the standard rate of corporation tax in the UK (21%; 2009:21%). The differences are explained below.

	<b>2010</b>	2009
	<b>£</b>	£
<i>Current tax reconciliation</i>		
Deficit before tax	<b>(62,592)</b>	(72,937)
	<u><u>          </u></u>	<u><u>          </u></u>
Current tax at 21% (2009: 21%)	<b>(13,144)</b>	(15,317)
<i>Effects of:</i>		
Exempt mutual trading	<b>13,683</b>	20,042
Refund of tax	<b>(3)</b>	-
Underprovision in respect of previous year	<b>231</b>	317
	<u><u>          </u></u>	<u><u>          </u></u>
Total current tax charge (see above)	<b><u>767</u></b>	<b><u>5,042</u></b>
	<u><u>          </u></u>	<u><u>          </u></u>

## Notes (continued)

### 8. Debtors

	2010 £	2009 £
Trade debtors	448,791	1,344,869
Prepayments	2,124	2,342
VAT	63,662	145,282
Sundry debtor	897	1,132
	<u>515,474</u>	<u>1,493,625</u>

### 9. Creditors amounts falling due within one year

	2010 £	2009 £
Trade creditors	761,452	1,375,625
Accruals and deferred income	221,818	53,071
Taxation and social security	539	4,725
	<u>983,809</u>	<u>1,433,421</u>

### 10. Capital and reserves

	Profit and loss account £	Capital contribution £	Total £
At beginning of year	666,974	421,081	1,088,055
Deficit for the year	(62,592)	-	(62,592)
	<u>604,382</u>	<u>421,081</u>	<u>1,025,463</u>

### 11. Commitments

At 31<sup>st</sup> March the Company was committed to making the following payments under non cancellable operating leases as follows:

	2010 £	2009 £
Expiring between 2 and 5 years	3,621	7,242

## Notes (continued)

### 12. Related party transactions

During the year a number of related party transactions took place and these are summarised in the table below. The related parties are all Members of the Board of Directors of the Company and all of the transactions were at arms length for services provided or received by the Company from the related parties.

	Funding received	Payments for services rec'd	Net	Net	Balance	Balance
	2010	2010	2010	2009	2010	2009
	£	£	£	£	£	£
Cambridgeshire County Council	3,892,961	1,396,800	<b>2,496,161</b>	2,122,984	<b>261,719</b>	763,340
Cambridge City Council	27,500	795,022	<b>(767,522)</b>	(480,425)	<b>(143,570)</b>	(131,548)
East Cambridgeshire District Council	16,000	128,442	<b>(112,442)</b>	17,035	-	-
East of England Development Agency	5,000	-	<b>5,000</b>	(1,782)	-	-
Fenland District Council	11,000	301	<b>10,699</b>	11,629	-	-
Huntingdon District Council	17,500	97,087	<b>(79,587)</b>	(71,500)	<b>(112,725)</b>	(103,500)
South Cambridgeshire District Council	30,000	743,878	<b>(713,878)</b>	(501,627)	<b>(169,815)</b>	(250,432)
<b>Totals</b>	<b>3,999,961</b>	<b>3,161,530</b>	<b>838,431</b>	1,096,314	<b>(164,391)</b>	277,860

£3,382,258 of the funding received from Cambridgeshire County Council relates to funding due to Cambridgeshire Horizons Limited from the Homes & Communities Agency.

During the year services were provided by Sir David Trippier & Associates Limited, a company with a common director, for the services of Sir David Trippier as Chairman of Cambridgeshire Horizons Limited totalling £124,451 (2009: £126,228). £11,549 was owed to Sir David Trippier & Associates Limited at 31 March (2009: £7,298).

### 13. Pensions

As set out in Note 1, the company's permanent staff are employed by Cambridgeshire County Council and as such are covered by the County Council's pension arrangements (Local Government Pension Scheme or LGPS). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

### 14. Ultimate controlling party

The company is controlled by the Board. In the opinion of the directors there is no ultimate controlling party.

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