

Notes to the consolidated financial statements

32 Pensions (continued)

Changes in the fair value of scheme assets are analysed as follows:

	Capita scheme £m	Other schemes £m	Group total £m
As at 1 January 2006	286.1	109.3	395.4
Expected return on scheme assets	18.7	7.1	25.8
Contract bulk transfers/business combinations	(2.5)	–	(2.5)
Employer contributions	15.5	3.6	19.1
Contributions by employees	0.4	1.3	1.7
Benefits paid	(6.6)	(2.4)	(9.0)
Actuarial gains and losses	9.8	3.5	13.3
As at 31 December 2006	321.4	122.4	443.8
Expected return on scheme assets	22.8	8.3	31.1
Contract bulk transfers/business combinations	1.0	5.8	6.8
Employer contributions	17.4	3.6	21.0
Contributions by employees	0.3	1.1	1.4
Benefits paid	(8.1)	(3.3)	(11.4)
Actuarial gains and losses	(4.3)	(0.3)	(4.6)
As at 31 December 2007	350.5	137.6	488.1

The total employer contributions to the defined benefit pension schemes in 2008 are estimated to be £17.8m in respect of the Capita scheme and £4.4m in respect of the 'Other' schemes.

History of experience gains and losses:

	2007 £m	2006 £m	2005 £m	2004 £m	2003 £m
Capita scheme					
Fair value of scheme assets	350.5	321.4	286.1	234.4	151.4
Present value of defined benefit obligation	(330.2)	(328.8)	(308.1)	(257.8)	(210.4)
Scheme surplus/(deficit)	20.3	(7.4)	(22.0)	(23.4)	(59.0)
Experience adjustments arising on scheme liabilities	–	3.6	(29.3)	(20.6)	
Experience adjustments arising on scheme assets	(4.3)	9.8	26.4	2.6	
Other schemes					
Fair value of scheme assets	137.6	122.4	109.3	84.6	72.9
Present value of defined benefit obligation	(153.5)	(141.8)	(130.3)	(105.3)	(91.7)
Scheme deficit	(15.9)	(19.4)	(21.0)	(20.7)	(18.8)
Experience adjustments arising on scheme liabilities	0.1	(3.9)	(13.1)	(4.7)	
Experience adjustments arising on scheme assets	(0.3)	3.5	12.5	3.0	

The cumulative amount of actuarial gains recognised since 1 January 2004 in the consolidated statement of recognised income and expense is £15.0m (2006: cumulative actuarial losses of £10.4m). The Directors are unable to determine how much of the pension scheme deficit recognised on transition to IFRS of £77.8m (of which an IFRS transitional adjustment of £67.7m was taken directly to equity) is attributable to actuarial gains and losses since inception of those pension schemes. Consequently, the Directors are unable to determine the amount of actuarial gains and losses that would have been recognised in the consolidated statement of recognised income and expense before 1 January 2004.

33 Related party transactions

Other than the information disclosed in the Directors' report and the Directors' remuneration report, the only other related party transactions requiring disclosure are details of key management personnel compensation. These details are set out in the table below.

Compensation of key management personnel (excluding Directors of parent company)

	2007 £m	2006 £m
Short term employment benefits	3.0	3.1
Post employment benefits	0.1	0.1
Share based payments	1.8	1.1
	4.9	4.3

Gains on share options exercised in the year by key management personnel totalled £11.3m (2006: £1.2m).