



## **ITL Pensions Increase 4.0% In April Based Upon December 2007 RPI Increase, But The Actuary's Valuation Shows No Surplus On Winding Up Basis Resulting In No Benefit Improvements.**

Somewhat surprisingly the 4.0% RPI increase in December 2007 showed a drop from the previous two months, October and November. Probably retailer's reactions to falling High Street sales in the run up to Christmas didn't help.

The Triennial Valuation Report by the Fund Actuary, Hugh Chambers, that was signed off by the Board of Trustees in December has been scrutinised by IMPAC Council, IMPAC's own Actuary, Nick Salter and Solicitor, Giles Orton.

The general opinion was that the Actuary had used assumptions that were overly protective of the financial security of our Fund resulting in no surplus on a winding up basis. In some cases the assumptions are set in accordance with guidance issued by the Institute of Actuaries and in others by the views of the Trustees on future trends in investment returns. Depending on your point of view this valuation was either very prudent or extremely prudent. You will have received your letter from the Pension Fund Office dated January 2008 about the valuation concluding that "there is no surplus on the winding-up basis means there is no scope for consideration of further benefits improvements".

Resulting from the Triennial Valuation the Company are currently not having to make any further annual financial contributions into our Fund. Instead the Fund winding up deficit is covered by the Company's provision of a Letter of Credit.

IMPAC had sought benefit improvements for all biased towards the longer retired if the Age Discrimination Act allowed it. In IMPAC's view a relatively small surplus could have made this request a viable proposition. The ITL Pension increase in April 2008 of 4.0% will help to meet rising living costs but of course it is 4.0% of what? The longer retired will see little change in their financial ability to meet rising fuel bills and the like and it is IMPAC's intention to continue seeking improvements for this shrinking group within the overall ITL pensioner population. Sources indicate that currently inflation for pensioners is running at 7%. Although the rise last year was 4.3%, that increase was soon absorbed by rising prices. As basic household costs continue to rise the 2008 increase will, once again, in practice equate to 'no increase'.

The state pension, like our ITL pension will rise by 4% in April but for some any benefit is likely to be absorbed by the additional income tax burden resulting from the abolition of the 10% income tax band. The attempts by the Government to keep Public Sector Workers pay increases within the lower Consumer Price Index are driven by the threat of higher taxes (including Council Taxes) to pay for them or face a reduction in Public Services. It's a pity that MPs don't set a better example of controlling the public purse when it comes to voting in their own annual pay increases, The Private Sector of course have to fund their own pay increases by cost cutting or price increases. If it's the latter we all suffer but of course the Chancellor in turn collects more revenue.

IMPAC members are well served by the level of Occupational Pension Fund expertise within IMPAC National Council. The collective knowledge about the minefield of financial detail of investment and actuarial assumptions provides a sound basis for understanding the valuation process that needs to meet ever increasing external fiscal pressures and regulations. The Government are no champions of Occupational Pension Schemes; quite the reverse. They are making alternative schemes ever more attractive to Employers by reducing their contribution rates and in some cases causing total abandonment of final salary schemes. Indeed some companies are selling their schemes to various insurance and financial groups and opting out. We have been advised at the PFCC that the Company have no plans to go down that path.

### CHAIRMAN'S CORNER.

The big talking point for us all is the arrival just before Christmas of the three yearly Pension Fund Valuation as at end March 2007. You will have received a letter from the Pension Fund Manager, Mike Paige, setting out a summary of the results. The Valuation is a complex document running to 42 pages and has kept us busy in January with discussion meetings with IMPAC's professional advisers, and also with the Actuary to the Fund.

As you know, IMPAC's first priority is the security of the Fund. You will be reassured to hear that we concluded that by any financial yardstick our Fund is one of the strongest large funds in the UK. This partly reflects the fact that our rules demand full funding for past benefits even if Imperial Tobacco were to vanish tomorrow. Both IMPAC's Actuary and the Fund Actuary were pressed on this point and agreed that our Fund is virtually unique in this respect. It is also the case that the letter from Mike Paige to all of you reminds us that 'payments from the Fund to the Company may not be made in any circumstances except in reimbursement of administrative costs . . .'

IMPAC's next priority after security is to try to obtain pension increases for the longer retired who have been hardest hit in terms of falling behind earnings levels. We have much to be thankful for in terms of RPI increases (including 4% in April this year) but nevertheless over longer periods earnings have moved ahead much faster. We believe that improvements can be made in this area at relatively modest cost, perhaps even trivial in relation to sums being set aside, on grounds of prudence, by the valuation.

In my last 'Chairman's Corner' you may remember that I concluded by saying that the work of Hugh Chambers, Actuary to the Fund, is a 'balancing exercise' and that we would be looking for a reasonable balance. Like motherhood and apple pie it is very difficult to argue against prudence.

On the so-called 'winding up' basis which

is the important one in deciding if surplus can be distributed in the form of higher pensions, 9% of the Fund has been set aside to improve the assumptions made on how long we will live. To put this in perspective, 1% of the Fund (£29.5m) would go a long way towards helping the long retired.

There are those who will argue that the current problems in global stock-markets remind us of the value of prudence. The answer to that is that the valuation uses a very cautious assumption that investments will in future return 1% net of inflation. Over the last decade (during which the stock market halved at one point) the comparable return for the Fund was +4% . You will have gathered from the above that your Chairman, your Council and your Actuary have concluded that the Valuation errs on the side of caution at the expense of older members unlikely to benefit when surplus eventually and inevitably emerges. We are therefore continuing to lobby on your behalf in particular that the situation should be reviewed annually.

As usual, thank you to those who voluntarily work so hard behind the scenes to make IMPAC work.

*Norman Ferguson*

### IMPAC'S STANDING.

Judging by the number of letters and enquiries IMPAC receives there are some members and non-members who are of the view that IMPAC is in some way part of the Pension Fund Office or Imperial Tobacco. IMPAC are always happy to help in any way with any enquiry but are anxious to point out that the organisation is wholly and totally independent of both.

IMPAC purely serves its membership but of course the work it does inevitably benefits all members of the ITL Pension Fund.

All IMPAC Officers willingly give up their free time to monitor the security of our Fund and provide well informed views on pension matters to those managing our Fund.

The Company, the Board of Trustees and the Pension Fund Office recognise the role of IMPAC in representing members interests in the Imperial Tobacco Pension Fund.

## **MEMBERSHIP CARDS.**

Your National Council have debated long and hard over the value of an IMPAC membership card. Our Membership Bureau, SAMAX, has raised the practical value of issuing a new card every year with each renewal form. The member receiving these normally subscribes for a further year but there are those that, for many reasons, do not – but retain the card.

It has therefore been decided that in future a card will only be issued to each new member. This card carries a membership number and should be retained for safe keeping.

The renewal letter is to be re-designed so as to provide current proof of IMPAC membership should it be questioned.

## **GOODBYE TO CHEQUES?**

For years cheques have been an acceptable form of payment. Plastic cards are now the dominant form of parting with money. Not everyone has joined this revolution so it's bad news when they hear that TESCO will refuse cheques after 25th February followed by (Your)M&S on 1st March.

Although cheques may carry bank account information debit cards enable others to access your account at will, once they have the card details, particularly on hotel bookings, insurance premiums and annual subscriptions.

The list of retailers refusing cheques also include Argos, Asda, Boots, Currys, Morrisons, Next, PC World, Sainsbury, Shell, and W H Smith; to name a few. John Lewis have also intimated that they are reviewing their policy.

In 1990 11.0 mill. cheques were issued daily. In 2006 that fell to 4.9 mill.

Is the ability to write now going out of fashion in favour of pushing buttons?

## **WATER METERS ETC.**

If the government insists upon water being supplied via a meter to all dwellings pensioners not yet paying meter charges could end up saving money. A couple in a house should benefit financially by sensible use of water. Those with large families will suffer the most if the use of water is not controlled. Baths, toilets, washing machines and dishwashers use the most water.

Anyone with a garden should seriously think

about collecting water off the roof and storing in butts. Watering from the tap could be expensive. As a meter user you are charged for water used by cubic metres. It is assumed that all this goes down the drain and you are charged separately for its subsequent processing. Consequently if you throw tap water on the garden you are still charged with it's processing.

As for rainwater via down pipes from the gutters, soakaways are now things of the past in modern architecture. The down pipes on modern houses now connect straight into the sewer pipe. You are consequently charged separately for the processing of this natural rainwater off the roof. Even if your dwelling has only one down pipe connected into the sewer and others to soakaways your local provider will charge you for the processing of all rainwater off your total roof area.

No mention so far regarding multiple dwellings under one roof with a single water supplier. Presumably this will affect any service charges.

## **RECRUITMENT.**

The National AGM in May will see the awarding of the Michael Smedley Recruitment Trophy currently held by Midland Region. No doubt Scotland Region will want to see it returned into their hands. The answer will be known in May. Regional Chairmen do require the help of all members to continue to recruit new members. The future may look certain but IMPAC will work to ensure that the total Fund membership are represented in all matters that affect that pension security. This representation is only made possible by IMPAC members; surely non-members should be made aware of this at every opportunity. It's up to you!

## **INSIDE ITG.**

ITG held their AGM in Bristol on the 29th January 2008 declaring a 12% increase in dividends to shareholders.

This performance and the recent acquisition of Altadis makes ITG a greater force to be reckoned with and ensures further expansion of its markets. Good news for all Pension Fund members who depend upon the Fund's Sponsoring Company to act as 'Banker of last resort'.

Below are the highlights of the results for the twelve months ended 30 September 2007.

- Cigarette volumes 200bn up 7%  
(2006: 187bn)
- Net revenue £3,280m up 4%  
(2006:£3,162m)
- Profit from operations £1,418m up 8%  
(2006: £1,311m)
- Adjusted\* profit from operations £1,475m up 9% (2006: £1,356m)
- Profit before tax £1,237m up 6%  
(2006: £1,168m)
- Basic earnings per share 134.3p up 10%  
(2006: 122.2p)
- Adjusted\* earnings per share 136.7p up 12% (2006: 122.2p)
- Full year dividend 69.5p up 12%  
(2006: 62.0p)

\* Adjusted results are reported, where applicable, before amortisation of acquired trademarks, restructuring costs, retirement benefits net financing income, certain fair value changes on derivatives and related tax effects.

## **PFCC MEETING REPORT.**

The special PFCC Meeting was held in London on 31st January 2008 specifically for a presentation by the Fund Actuary Hugh Chambers and Kathryn Armitstead of Watson Wyatt of the 31st March 2007 Triennial Valuation of our Fund.

The presentation was attended by the usual PFCC Committee members plus five IMPAC Observers. The usual pre-meeting with the PFCC representatives of Employee Members and the two ITL Pensioner Representatives agreed the fifteen IMPAC questions submitted in advance to the Actuary. The answers to these questions were 'woven' into the presentation and visually highlighted in the appropriate section. Each answer was further explained and questioned for more clarification during the presentation.

### **Background and Assumptions:**

This valuation was the first since the introduction of new legislation, that is regulated by the Pensions Regulator, requiring Scheme Specific Funding (SSF) rather than the now discredited Minimum Funding Requirements (MFR).

The Actuary outlined the bases upon which he valued our Fund. These are:

1. Continuing basis, including total service.
2. The new statutory requirement; Scheme Specific Funding (SSF).
3. Winding up basis addressing any resulting deficiencies.

The financial assumptions used by the Actuary, following agreement by the Board of Trustees and ITG, to arrive at his conclusions were as to:

Discount Rate\*  
Inflation\*  
Pay Increases\*  
Pension increases\*

Demographic assumptions as to:

Mortality after retirement\*  
Rates of leaving service  
Rates of early retirement  
Rates of ill health  
Promotional pay scale\*  
Marital statistics

\*Those marked thus denote changes in assumptions since the 2004 valuation.

### **Conclusions:**

Based upon those assumptions the conclusions from the 31st March 2007 valuation can be summarised as follows:

- Our Fund's accumulated assets are 102% of those needed to finance past and future liabilities giving a surplus of £61 mill.
- Taking only past service liabilities the statutory Scheme Specific Funding (SSF) is 114% giving a surplus of £372m. (This is the way almost all other funds report).
- On a winding up basis – after the company had paid for a Letter of Credit to provide insurance security - the value of the assets would have been around 100%.

As a result of this last valuation the Company (ITG) now ceases to contribute the £10mill p.a. that it has been paying since the last Valuation in 2004. Also it has been able to heavily reduce the value of the Contingency Funding Arrangement needed to bring our Fund asset value up to the 100% winding up basis so the current Letter of Credit is now a quite modest sum.

### **IMPAC Analysis:**

IMPAC cannot disagree with the outcome but do think that the value of some assumptions was over prudent. It only takes the fraction of

1% difference within an assumption to make a significant financial difference in the outcome. The sums involved to enable some improvement in benefits to the longer retired are relatively small, certainly comparable with the cost of augmentations. Interestingly though the Company nevertheless has augmented the pensions of employees recently made redundant from Ogdens. The effect on our Fund was to increase liabilities by £25m and is a cost considered by the Actuary not sufficient for the Company to contribute towards this increased liability.

The winding up deficit was avoidable by the Company either continuing contributions or offering a Letter of Credit. The Company chose the latter arrangement to 'plug the gap'. Because the valuation produced no surplus the Actuary could report that there is no scope for any benefit improvements.

IMPAC made it quite clear to the ITG representatives and the Board of Trustees that our request for benefit improvements 'stays on the table'.

#### **IMPAC Comments:**

As a result of changes in legislation the Board of Trustees are required to conduct a 'mini' Fund Valuation each March. The next PFCC is in April when again the request for benefit improvements will be on the agenda.

With regard to the meeting itself; apart from those representing ITG the PFCC consists of three factions.

1. Employee representatives (7)
2. Pensioner Association representatives (2)
3. IMPAC representatives (7)

Of these three groups only IMPAC sought prior independent Actuarial and Legal opinions.

This combined with the wealth of knowledge within the National Council enabled an IMPAC challenge to the Actuary's conclusions. Without that the presentation would have been reminiscent of PFCC meetings before IMPAC.

So the next time a non-member asks about the value of IMPAC you have a good example to quote.

During the presentation a comment was made as to the status of ITL pensioners within the world of Occupational Pension Schemes to

the effect that Members of our Fund either "look forward to enjoying generous benefits or are enjoying them". According to John Lydgate (1440 AD) "comparisons are odious" and most agree that to compare the benefits of our Fund with other Funds is of no interest to Members. Our Fund stands alone. If it does well we all benefit; if it does not do well.....

However our Fund is well managed and members expect to benefit from that just like the employees of a well run Company who certainly don't concern themselves with the plight or otherwise of any other organisation.

Be in no doubt that the details of the Triennial Valuations are complicated. You will have received the comprehensive letter from the Pension Fund Office and if you require a copy of the actual Report you only have to ask them. Anyone wishing to raise a topic for discussion at the April PFCC is asked to contact their Regional Chairman or Secretary.

### **NATIONAL AGM 2008**

The next National AGM will be held in Bristol on the afternoon of Thursday 22nd May 2008 at BAWA, Filton at 2:30 pm.

Full details of the AGM will be issued 28 days prior to the meeting. Please make a note in your 2008 diary.

This will be IMPAC's seventeenth AGM. It is difficult to believe that IMPAC has now been around for seventeen years and still retains many of the original membership. We hope that many members will attend the AGM and give their support to the volunteer Officers who make it all work.

If a group of members wish to attend via hired coach/mini-bus contact your Regional Chairman.

### **BRAIN TEASER No. 3**

A ship in harbour has a rope ladder hanging over the side. The rungs of the ladder are twelve inches apart and at low tide the sixth rung from the bottom is just covered by water. If the tide rises a total of 16 feet in 12 hours how many rungs of the ladder will be covered by water three hours before high tide?

Our thanks to Johnston Hall

## **THOSE WINNERS AND US LOSERS!**

Observations in previous issues of IMPACt about expenses have been clearly demonstrated by the cavalier way that MP David Conway and other MPs use your money to enhance their personal assets and family lifestyles. We are talking about a lot of money here over long periods of time where any single expense up to £250 does not need the support of a receipt. MPs say that the electorate cannot expect members of their family to support their career without the rewards of the electorate's financial support. Compare that to the attitude of 1,000s of volunteer and care workers who can be out of pocket by giving of their time freely to enrich the lives of so many in this, one of the richest nations in the world. For them just serving the needs of others is reward enough – no extravagant expenses here.

Latest indications are that Parliament have been shamed into action over expenses. We await their conclusions with interest.

It would now appear that a third of Doctors want to limit surgery for the elderly because their subsequent life expectancy doesn't make it cost effective.

At the same time the NHS propose funding surrogate mothers up to £15,000 to create a child for infertile couples of any persuasion. Perhaps it's just a question of priorities solved by new age liberal thinking. They certainly didn't ask the elderly.

Travel insurance can be a costly business as one passes certain age milestones. This is an automatic process no matter how fit you think you are. Annual policies are particularly affected but if you pay a premium as part of a package for a specific holiday be sure to read the policy carefully. If you are travelling to the USA for example you do need at least £5mill. medical cover. There are some companies now offering more realistic deals so shop around.

## **IMPAC MEMBERSHIP**

The membership bureau's address is IMPAC c/o 15 Nell Gwynn Avenue, Shepperton, Middlesex TW17 8HS. The bureau's email address is [impac@p900.freerve.co.uk](mailto:impac@p900.freerve.co.uk). Alternatively any changes in status or membership details can be notified to your Regional Chairman by telephone.

## **ELECTRONIC MAIL.**

Postal rates increase on 7th April, 2008. 2nd class increases 12.5% to 27p and 1st class increases 5.9% to 36p. We are pleased to report that more members are agreeing to receive IMPAC information electronically thus continuing to reduce costs. These members are to be thanked.

If you are one of those reading this edition on line and were not notified via email please contact the Editor.

## **OCCUPATIONAL PENSIONERS' ALLIANCE**

The National Council agreed to continue membership of OPA and the £190.40 annual subscription has been paid.

The OPA AGM will be held at Communion Headquarters, at 324, Grays Inn Road, London, on Wednesday, 28th May 2008, commencing at 2:00 pm. You are eligible to attend. The OPA have Council vacancies. If anyone is interested contact Bernard Potter on 01270-258097 or email [Bernpot@talktalk.net](mailto:Bernpot@talktalk.net).

The OPA web site [www.opalliance.org.uk](http://www.opalliance.org.uk) is always worth a visit for an update on pension related matters.

## **[www.impac.org.uk](http://www.impac.org.uk)**

The IMPAC website continues to be improved. You will now see that it is updated on a daily basis.

Sadly activity on the Forum Section by members is more or less zero. We have decided to rename that section 'Latest ITG News' and keep you updated on the results and initiatives of our Fund's sponsoring company Imperial Tobacco Group. Now when you visit the web site you can also take a quick look at ITG's latest bulletins.

The current IMPACt is available in Adobe format. Copies can therefore be printed off. The quiz answers are also posted.

If your membership details change you can notify us on line via the 'Contact Us' page. The current quiz answers will be posted on the web site in the usual way.

Comments on the website are always appreciated.

## QUIZ ANSWERS.

Here are the answers to the Quiz in IMPACT 36.

1. Wallflower
2. Harebell
3. Coltsfoot
4. Carnation
5. Snowdrop
6. Anemone
7. Jonquil
8. Dandelion
9. Cowslip
10. Marigold
11. Nightshade
12. Rose
13. Stocks
14. Foxglove
15. Pink
16. Catmint
17. Iris
18. Pimpernel
19. Hawthorn
20. Love in a Mist

### Brain Teaser Answer:

It will still be 6 since the ship floats in the water and therefore will rise with the tide.

## INSIDE INFORMATION.

President – Michael J. Smedley.

Chairman – Norman W. H. Ferguson tele. 01275 372535 email

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Secretary – Robert V. S. Gledhill tele. 01332 676553 email

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Elected Trustees:

Robin Aspinall tele. 0208 9691639

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email allan.russell@onetel.com

Pension Fund Office:

tele. 0117 9530000 fax. 0117 9632860

Inland Revenue Office (ref. 794/BIT3)

tele. 0845 302 1483

## OVERSEAS MEMBERS.

Brian Fox of the London & South East Region is the UK co-ordinator for all our Overseas Members except those who have opted for regional affiliation. Brian's

email address is brian.r.fox@btinternet.com

## REGIONAL INFORMATION

**Eastern Region** – Chairman Eddie Mason tele. 01482 500744 email eredhathessle@aol.com

There is a sponsored lunch with IMPAC speaker for ITPF pensioners at The Bourn Vale Club, Halifax Road, Ipswich on Monday 19th May 2008 at 12 noon. All welcome. To book ring Ann Jordan on 01473- 687685.

To learn more about the activities in this Region contact Eddie, or Secretary David Dukes email daviddukes@uwclub.net

**London & South East Region** – Chairman

Barry Lewis tele./fax. 020 84646054

To learn more about the activities in this Region contact Barry, or email Secretary Michael Staal mandm@mstaal.wanadoo.co.uk. tele. 0208 9522838.

**Midland Region** – Chairman

Derrick Wragg. tele. 01773 789435

email derrick.wraggl@ntlworld.com

An open meeting will be held on Wednesday 16th April 2008 at 10:30am at The Hillside Club, Derby Road, Nottingham – all welcome.

To learn more about the activities in this Region contact Derrick or email Secretary, Tony Lowe, at the-cedars@ntlworld.com.

**North East Region** – Chairman Leslie T Rome.

tele. 01661 871509

email lesrome@btinternet.com

To learn more about the activities in this Region contact Les or Secretary Bill Richmond on tele. 01661 842143.

**North West Region** – Chairman

Anthony Macadam. tele. 01517 224807

email aembusiness@aol.com

To learn more about the activities in this Region contact Anthony or email Secretary, Warren Ryland hr001e9741@blueyonder.co.uk tele. 01514 262685

The Membership Secretary is Monica Thomas tele. 0151 3399490 email Monvorn@aol.com .

**Scotland Region** – Chairman Simon Andrews.

tele. 01334 828779

email andrews556@btinternet.com.

There is a Satellite Meeting for the Stirling Area Members at Spencer's Club in Stirling on Wednesday 19th. March. The Scottish Region A.G.M. will be held at the Garfield House Hotel on Wednesday 16th. April 2008 at 6:30 pm.

To learn more about the activities in this Region contact Simon, or email Secretary Colin Martin cmartinimpac@hotmail.com. tele. 0141 7793796.

**Western Region** – To learn more about the

activities in this Region contact Secretary

Alan Bowering tele. 01179 502434

email acbimpacwr@sky.com.

## VIEWS TO THE EDITOR.

Your views on pension matters and any new ideas for IMPACT, are always welcome. Contact the Editor, Tony Lowe at The Cedars, 7 Leahurst Road, West Bridgford Nottingham NG2 6JD. You can fax on 01159147337 or email the-cedars@ntlworld .com

## QUIZ CUBICLE

Answers will be published in the next IMPACt. If you can't wait - visit the IMPAC web site [www.impact.org.uk](http://www.impact.org.uk) or contact the Editor.

**These five questions test your mental ability they get progressively harder. You can give up at any time – no one will know!.**

**Question 1.** What do you usually put in a toaster?

**Answer:** If you said "toast," give up now and do something else. Try not to stress yourself. If you said, "bread", go to Question 2.

**Question 2.** Say "silk" five times. Now spell "silk." Quickly: "what do cows drink?"

**Answer:** If you said "milk," don't attempt the next question. Your brain may be over-stressed and needs relaxant. Why not do the Times crossword? However, if you said "water", proceed to Question 3.

**Question 3.** If a red house is made from red bricks and a blue house is made from blue bricks and a pink house is made from pink bricks and a black house is made from black bricks; what is a green house made from?

**Answer:** Actually green houses are made from glass. If you said "green bricks", why are you still attempting these questions? If you said "glass", go on to Question 4.

**Question 4.** It's twenty years ago, and a Soviet plane is flying at 20,000 feet over East Germany returning an American diplomat to West Germany. During the flight, two engines fail; then the third engine. The Russian pilot, realizing that the last remaining engine is now on fire, decides on a crash landing procedure. However the blaze quickly consumes the whole aircraft and it fatally crashes in a fireball smack in the middle of "no man's land" between East and West Germany leaving just a pile of ashes. Given the political implications where would any survivors from the crashed Soviet plane have been buried? East Germany, West Germany, or no man's land"?

**Answer:** If you said "either East Germany, West Germany, or no man's land ", you're a probably a failed diplomat and you should give up now. If you said, " Survivors are not buried ", proceed to the final Question.

**Question 5.** You should manage this brain teaser without using a calculator.

You're are driving a coach from London to Milford Haven in Wales. In London, 17 Peters get on the empty coach. In Reading , 6 Peters get off it and 9 Ednas get on. In Swindon 1 Peter gets off with 1 Edna and 4 Henrys get on. In Cardiff, 6 Ednas and 2 Peters and 1 Henry get off and 16 Marys get on. In Swansea, 3 Marys get off and 5 Barrys get on. In Carmathen, 3 Marys and 3 Peters get off and 3 Annes get on. With no more stops the coach from London finally arrives at its destination.

Does that equate to 5 Peters, 3 Henrys, 5 Barrys, 2 Ednas, 10 Marys and 3 Annes, alighting at Milford Haven in Wales? If so; then what was the driver's name?

**Answer:** Your maths may be okay but did you work out the driver's name?

No! Well; it wasn't Peter, Edna, Henry, Mary, Barry or Anne; it was you! Oh dear!

Take heart 95% of all people tested fail to reach Question 5!!

**IMPACt is the official Newsletter of IMPAC. The Council reserves the right to edit any contribution or letter. Particular views expressed by individual members may not reflect IMPAC's policy as agreed by the elected Council.**