



**Police Federation of England and Wales**

# **Treasurer's Annual Report and Accounts 2006**

incorporating  
the Constables', Sergeants' and Inspectors'  
Treasurer's Report and Accounts  
for 2006



# Treasurer's Annual Report and Accounts

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## **CHAIRMAN**

**Jan Berry QPM BA (Hons)**  
15/17 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **GENERAL SECRETARY**

**John Francis**  
15/17 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **TREASURER**

**Brian Fenlon**  
15/17 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **AUDITORS**

**George Hay & Company**  
Chartered Accountants,  
Registered Auditors,  
83 Cambridge Street,  
Pimlico,  
London. SW1V 4PS

## **SOLICITORS**

**Russell Jones & Walker**  
Swinton House,  
324 Gray's Inn Road,  
London.  
WC1X 8DH

## **MANAGERS OF UNIT TRUSTS**

**Axis Financial Planning Limited**  
Hargam House,  
40 Sandhurst Road,  
Wokingham,  
Berkshire. RG40 1XG

## **BROKERS**

**Morgan Stanley Quilter**  
25 Cabot Square,  
Canary Wharf,  
London. E14 3JD

## **BANKERS**

**National Westminster Bank Plc.**  
Surbiton Branch,  
10 Victoria Road, Surbiton,  
Surrey. KT6 4JY

**Barclays Bank Plc.**  
London Medium Business,  
United Kingdom House,  
180 Oxford Street,  
London W1D 1EA.

# Treasurer's Annual Report and Accounts

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## TREASURER'S REPORT For the year ended 31st December 2006

### FOREWORD

It is my pleasure, on behalf of the Joint Central Committee, to present my third report as Treasurer of the Police Federation Joint Fund, together with the Financial Statements the year ended 31st December 2006.

The surplus of subscription income over expenditure for the year was £233,016 against a deficit of £77,350 last year. However the surplus has arisen as a result of receiving refunds of costs involved on four major legal cases amounting to £595,000, which if we had not received this extra money would have resulted in a deficiency of £361,984.

Other income amounted to £475,679, giving a surplus before capital profit of £708,695.

We have during the year sold our Surbiton premises and this has resulted in a one off capital profit of £2,981,460. Bearing in mind this property was originally purchased in 1969 for £180,000.

Further sale of investments resulted in capital profit of £244,270, taxation amounts to £105,458, giving a final retained surplus for the year of £3,828,967.

We still remain in Surbiton free of charge, and the balance of the sale money £3,675,000 remains due to us and appears in debtors and will be paid on vacation of the premises.

### BALANCE SHEET

Page 5 details the Fund's assets and liabilities and I am pleased to say that the Net Assets now total £20,020,246 (2005: £16,191,279). At the year-end we had paid nearly half of the cost of the new Headquarters and the balance will be settled in 2007. The costs of this are reflected in note 3 of the notes to the accounts. At present this has been funded by a bank loan, which will be substituted by a mortgage when the property is passed to us.

As mentioned above, a tranche of investments were sold giving rise to a profit of £244,270. The Market Value of investments held at the end of the year was £8,837,554 (2005: £8,173,034).

### INCOME

In addition to subscription income, investment income amounted to £200,043 (2005: £228,078) a reduction due to the sale of investments, deposit and other interest £202,064 (2005: £203,776) and commissions of £56,290 (2005: £118,073).

My sincere thanks to the Kent Police Joint Branch Board for a donation of £6,720, to the Isle of Man Police Federation of £2,000, Inspectors Central Committee of £5,000 and to Mrs Iris Tighe for a magnificent donation of £10,000 to our Fund.

### EXPENDITURE

The main item of expenditure is, of course, member's legal fees of £9,923,635 (2005: £9,838,772). I feel it is important to reiterate that this includes refunds of costs incurred in the previous years for four major cases for which we were successful and resulted in £595,000 being received. I am pleased to say that the resources working group has commenced work with our legal advisors and I hope to see results in the forthcoming years.

Federation expenditure other than members legal fees amounted to £6,967,851 (2005: £6,898,707), an increase of £69,144, details of which appear in note 10, page 11

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## **THE FUTURE**

The Federation is now embarking on a new future with occupation of the Leatherhead premises taking place later this year. I intend to ensure that our expenses are carefully monitored, matched with budgets and provide our members with the service that the Federation has always given. In house training will continue vigorously, the facilities will be opened and its' use advertised to ensure full occupancy for the benefit to the members.

## **CONCLUSION**

May I again express my thanks to all of our staff in the Treasurer's Department at Surbiton without whom I would find it very difficult to perform my function as Treasurer. They deal with an enormous workload in a very efficient manner and no Treasurer could operate without them.

**Brian Fenlon**  
**Treasurer**

**Dated: 6th April 2007**

# Treasurer's Annual Report and Accounts

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POLICE FEDERATION JOINT FUND

We have audited the financial statements of the Police Federation Joint Fund for the year ended 31st December 2006 which comprise the Income and Expenditure Account, Balance Sheet, Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Fund's members, as a body. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report or for the opinions we have formed.

### Respective Responsibilities of the Committee and Auditors

The Committee's responsibilities for the preparing of financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Committee's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared. We also report to you if, in our opinion the Treasurer's Report is not consistent with the financial statements, if the Fund has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read the Treasurers' Report, and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Fund's affairs as at 31st December 2006 and of its results for the year then ended;
- and the financial statements have been properly prepared in accordance with the Police Federation Regulations and Fund Rules.

George Hay & Company  
Registered Auditors  
Chartered Accountants

6th April 2007

# Treasurer's Annual Report and Accounts

## BALANCE SHEET As at 31st December 2006

		As at 31st December 2006	As at 31st December 2005
<b>FIXED ASSETS</b>	(note 3)	15,729,268	6,426,700
<b>CURRENT ASSETS</b>			
Investments (Market Value £8,837,554)		4,879,963	4,994,763
Loans	(note 4)	268,967	315,988
Stocks		31,483	26,883
Amounts Due from Central Committees		4,819,256	4,666,699
Corporation Tax		-	3,544
Debtors and Prepaid Expenses		4,464,647	486,845
Deposit with Stockbrokers		1,513,766	1,525,878
Cash at Bank and in Hand		2,803,524	2,163,607
		<u>18,781,606</u>	<u>14,184,207</u>
<b>LESS</b>			
<b>CURRENT LIABILITIES:</b> falling due within one year			
Creditors and Accrued Expenses	(note 5)	(14,490,628)	(4,419,628)
 <b>NET CURRENT ASSETS</b>		 4,290,978	 9,764,579
 <b>NET ASSETS</b>		 <u>£20,020,246</u>	 <u>£16,191,279</u>
 <b>REPRESENTED BY</b>			
Accumulated Fund	(note 6)	<u>£20,020,246</u>	<u>£16,191,279</u>

(signed) **JAN BERRY QPM BA (HONS)** Chairman

**BRIAN FENLON**

Treasurer

Dated: 6th April 2007

# Treasurer's Annual Report and Accounts

## INCOME AND EXPENDITURE ACCOUNT For the year ended 31st December 2006

		2006	2005
<b>INCOME</b>			
Amounts Receivable from Central Committees:			
Constables		13,487,739	13,261,721
Sergeants		2,610,323	2,432,425
Inspectors		1,026,440	965,983
		<hr/>	<hr/>
		17,124,502	16,660,129
<b>EXPENDITURE</b>			
Members Legal Fees	(note 9)	9,923,635	9,838,772
Federation Expenditure	(note 10)	6,967,851	6,898,707
		<hr/>	<hr/>
		16,891,486	16,737,479
Surplus/(Deficit) of Subscription Income over Expenditure		233,016	(77,350)
Donations Received	(note 8)	23,720	2,000
Income from Investments:			
Securities		200,043	228,078
Deposit and Other Interest		202,064	203,776
		<hr/>	<hr/>
		402,107	431,854
Deficit from Seminars		(6,438)	(7,108)
Commissions Received		56,290	118,073
		<hr/>	<hr/>
<b>SURPLUS FOR THE YEAR BEFORE GAINS</b>		708,695	467,469
<b>GAINS</b>			
Profit on Disposal of Securities after Provisions		244,270	2,020,048
Profit on Disposal of Fixed Assets		2,981,460	-
		<hr/>	<hr/>
<b>SURPLUS FOR THE YEAR BEFORE TAXATION</b>		3,934,425	2,487,517
<b>TAXATION</b>		(105,458)	(18,707)
		<hr/>	<hr/>
<b>RETAINED SURPLUS FOR THE YEAR</b>		<u>£3,828,967</u>	<u>£2,468,810</u>

# Treasurer's Annual Report and Accounts

## CASH FLOW STATEMENT For the year ended 31st December 2006

		2006	2005
Net Cash Inflow/(Outflow) from Operating Activities	(note 13)	9,197,907	(377,449)
Returns on Investments and Servicing of Finance:			
Income from Securities		200,043	228,078
Interest Received		202,064	203,776
Net Inflow from Returns on Investments and Servicing of Finance		402,107	431,854
Investing Activities:			
Purchase of Tangible Fixed Assets		(10,136,584)	(5,138,753)
Purchase of Securities		(146,136)	(398,611)
Sale of Tangible Fixed Assets		758,285	2,599
Sale of Securities		505,205	6,231,386
Net Cash (Outflow)/Inflow from Investing Activities		(9,019,230)	696,621
Net Cash Inflow before Financing		580,784	751,026
Financing:			
Repayment of Loans Granted		47,021	44,429
Increase in Cash Equivalents	(note 15)	£627,805	£795,455

# Treasurer's Annual Report and Accounts

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## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31st December 2006

### 1. ACCOUNTING POLICIES

#### **Accounting Convention**

The financial statements are prepared under the historical cost convention and are in accordance with applicable accounting standards.

#### **Fixed Assets**

Tangible fixed assets are stated at cost less depreciation. No depreciation is charged on freehold land or assets in the course of construction. Depreciation has been calculated at rates required to write off the relevant assets over their anticipated useful lives. The applicable annual rates are:

Office Equipment	20% reducing balance basis
Computer Equipment	25% straight line basis
Furniture and Fittings	10% reducing balance basis
Motor Vehicles	25% reducing balance basis
Leasehold Premises	2% straight-line basis
Freehold Land	Nil
Buildings	No depreciation has been charged, as it is the Committee's policy to maintain the buildings in a continual state of sound repair. The Committee considers that the lives of these assets are so long and the residual values so high that there depreciation is insignificant.

#### **Stock**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **Taxation**

The Federation is liable to Corporation Tax on the excess of its non-contribution income, chargeable gains and investment income over provident benefit payments.

#### **Deferred Tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### **Income and Expenditure Account**

Expenditure is shown inclusive of irrecoverable Value Added Tax, where applicable, and is reported as part of the expenditure to which it relates.

#### **Investments**

Investments

The investments are stated at cost unless their market value is significantly less than the cost.

#### **Derivative financial instruments and hedge accounting**

The Fund is currently exposed to financial risk of interest rate fluctuations. The Fund manages this risk by using a risk management programme that seeks to limit the adverse effects on the financial performance of the Fund. The Fund manages its interest rate exposure and uses a combination of fixed rate debt and interest rate swaps. The Fund does not undertake any trading activity in financial instruments. The interest rate exposure to the Fund is hedged to movements in interest rates associated with its borrowings primarily by means of interest rate swap and fixed rate agreements on financing. Interest payable and receivable are included within net interest payable.

#### **Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Fund in an independently administered fund. The pension charges represent amount payable by the Fund in respect of the year. Any unpaid contributions are included in creditors.

# Treasurer's Annual Report and Accounts

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31st December 2006

### 2. STATEMENT OF COMMITTEE'S RESPONSIBILITIES

Regulation 18(2) of the Police Federation Regulations requires the Committee, in relation to Federation funds held by it to keep accounts showing all monies received or paid out and to cause the accounts for each year to be audited by an independent auditor. In causing the accounts to be prepared, the Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- ensure that the accounts are prepared on the going concern basis unless it is appropriate to presume otherwise.

The Committee is responsible for keeping proper accounting records and is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### 3. FIXED ASSETS

	Payments on Account & Assets in the Course of Construction	Freehold Land & Premises	Leasehold Premises	Computer & Office Equipment	Motor Vehicles	Total
	£	£	£	£	£	£
Cost:						
At 1st January 2006	13,637	5,883,532	397,111	1,071,751	34,223	7,400,254
Additions	8,431,274	-	1,644,383	60,927	-	10,136,584
Disposals	-	(758,285)	-	-	-	(758,285)
At 31st December 2006	8,444,911	5,125,247	2,041,494	1,132,678	34,223	16,778,553
Depreciation:						
At 1st January 2006	-	-	92,572	869,776	11,206	973,554
Charge for the Year	-	-	7,942	62,035	5,754	75,731
At 31st December 2006	-	-	100,514	931,811	16,960	1,049,285
Net Book Value: -						
At 31st December 2006	8,444,911	5,125,247	1,940,980	200,867	17,263	15,729,268
At 31st December 2005	13,637	5,883,532	304,539	201,975	23,017	6,426,700

#### NOTES:

The five existing Leasehold premises were valued on an open market value basis by an estate agent at £1,244,800.

Leases on the leasehold premises expire at dates ranging from 19th January 2089 to 29th September 2960.

The Land held at Leatherhead at a cost of £5,060,219 included in Freehold Land & Premises is covered by a fixed charge over the Fund's liability to Barclays Bank Plc. The remaining freehold premises has an open market value of £379,950 as valued by an estate agent.

During the year contracts were exchanged for the sale of the Freehold property at 15-19 Langley Road Surbiton for the sum of £3,750,000, said amount less the deposit received of £75,000 is shown in debtors.

# Treasurer's Annual Report and Accounts

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31st December 2006

### 4. LOANS

	2006 £	2005 £
Secured on two freehold and one leasehold properties	268,967	315,988

Secured loans due within one year amounted to £49,031 (2005: £47,021) and amounts due after more than one year was £219,936 (2005: £268,967).

### 5. CREDITORS

	2006 £	2005 £
Bank Loan	6,899,185	-
Trade Creditors	1,949,722	1,425,440
Other creditors and accruals	5,641,721	2,994,188
	<u>14,490,628</u>	<u>4,419,628</u>

### 6. ACCUMULATED FUND

	2006 £	2005 £
Accumulated Surplus at 1st January 2006	16,191,279	13,722,469
Retained Surplus for the Year	3,828,967	2,468,810
	<u>20,020,246</u>	<u>16,191,279</u>

### 7. CONTRIBUTIONS TOWARDS EXPENSES

	2006 £	2005 £
Contributions were received from the Home Office (Grant in Aid) towards the following expenses:		
Meetings	75,650	111,616
Police Negotiating Board	130,921	96,970
	<u>206,571</u>	<u>208,586</u>

### 8. DONATIONS RECEIVED

	2006 £	2005 £
Inspectors Central Committee	5,000	-
Kent Joint Branch Board	6,720	-
Isle of Man	2,000	2,000
Mrs I Tighe	10,000	-
	<u>23,720</u>	<u>2,000</u>

The collection for charity at the 2006 conference amounted to £5,145 (2005: £5,920).

# Treasurer's Annual Report and Accounts

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31st December 2006

### 9. MEMBERS LEGAL FEES

	2006 £	2005 £
CICA Claims	683,877	679,204
Civil Claims	821,684	1,183,127
Criminal Cases	2,132,878	1,681,268
Defamation	68,783	677,065
Discipline	2,530,536	2,187,464
General Legal Fees	1,649,588	2,093,635
Employment Tribunals	2,173,863	1,563,584
Disbursements on Cases not Concluded	(137,574)	(226,575)
	<u>9,923,635</u>	<u>9,838,772</u>

### 10. FEDERATION EXPENDITURE

	2006 £	2005 £
Amalgamations	57,826	-
Annual Report	18,480	20,114
Audit Fees	25,000	24,500
Bank Charges	554	126,167
Clerical Assistance (note 11)	2,399,307	2,117,073
Computer Costs	704,199	637,616
Death Benefits	269,235	198,410
Elected Officers Enhancements	53,191	84,920
EUROCOP	39,366	127,785
Federation Training	554,937	652,837
Hospitality	16,807	18,494
Insurances	141,645	150,163
Interest payable	114,646	-
Leasehold Amortisation	7,942	7,942
Meetings (note 12)	951,375	948,284
Motor Expenses:		
Repairs and Maintenance	2,366	5,795
Depreciation	5,754	7,672
National Police Memorial Upkeep	23,583	19,991
New Headquarters	459,230	650,531
Office Equipment:		
Repairs and Maintenance	13,693	18,512
Depreciation	62,034	84,818
POLICE Magazine	67,396	119,855
Premises Expenses	232,082	225,247
Presentations and Donations	66,932	66,166
Printing Costs	74,098	66,075
Professional Fees	154,111	212,888
Publicity and Promotions	179,216	149,048
Research and Publications	108,656	14,299
Stationery and Postage	39,042	36,953
Sundry Expenses	4,468	5,463
Telephone	65,871	74,939
Working Parties	54,809	26,150
	<u>6,967,851</u>	<u>6,898,707</u>

# Treasurer's Annual Report and Accounts

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31st December 2006

### 11. CLERICAL ASSISTANCE

	2006 £	2005 £
Civilian Assistance and Clerical Staff	1,819,396	1,628,222
Federation Contributions for:		
Superannuation	402,899	337,048
Social Security	177,012	151,803
	<u>2,399,307</u>	<u>2,117,073</u>

### 12. MEETINGS (Statutory and Non Statutory)

	2006 £	2005 £
Annual Conference	417,728	408,392
Joint Central Committee - Statutory	28,399	48,182
Police Negotiating Board	630	7,442
Non Statutory	485,797	463,399
Overseas Conferences	18,821	20,869
	<u>951,375</u>	<u>948,284</u>

### 13. RECONCILIATION OF SURPLUS FOR YEAR AFTER TAXATION TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2006 £	2005 £
Surplus for Year after Taxation	3,828,967	2,468,810
Income from Investments	(402,107)	(431,854)
Depreciation Charges	75,732	100,433
Disposal of Securities after Provisions	(244,270)	(2,020,048)
(Increase) in Stocks	(4,600)	(1,356)
(Increase)/Decrease in Debtors and Prepaid Expenses	(3,977,802)	660,925
(Increase) in Amounts Due from Central Committees	(152,557)	(184,981)
Decrease in Corporation Tax Debtor	3,544	5,547
Increase/(Decrease) in Creditors	10,071,000	(974,925)
	<u>9,197,907</u>	<u>(377,449)</u>

# Treasurer's Annual Report and Accounts

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31st December 2006

### 14. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH AND CASH EQUIVALENTS (Note 15)

	2006 £
Increase in Cash for the Year	627,805
Net Balance at 1st January 2006	3,689,485
	<u>4,317,290</u>

### 15. ANALYSIS OF CHANGES IN NET CASH AND CASH EQUIVALENTS

	1st January 2006 £	Change £	31st December 2006 £
Deposit with Stockbrokers	1,525,878	(12,112)	1,513,766
Cash at Bank and in Hand	2,163,607	639,917	2,803,524
	<u>3,689,485</u>	<u>627,805</u>	<u>4,317,290</u>

### 16. CAPITAL COMMITMENTS

At the year-end capital commitments not provided for in connection with the new Headquarters amounted to £5,330,873 (2005: £13,125,000).

### 17. CONTINGENT LIABILITIES

There are a number of legal cases pending which could result in a significant charge to the Federation. It is impossible at this stage to assess the outcome of these cases and therefore the potential charge cannot be quantified.

### 18. CONTINGENT ASSET

A guarantee bond dated 26th June 2006 has been issued by the relevant parties in relation to the construction of the new Headquarters to guarantee the performance of the obligation of the contractor under the contract.

### 19. POST BALANCE SHEET EVENTS

After the year end the Fund has sold, the existing freehold and five leasehold premises, subject to contract.

# Treasurer's Annual Report and Accounts

## SUMMARY OF SECURITIES HELD BY THE TRUSTEES OF THE POLICE FEDERATION For the year ended 31st December 2006

### TRUSTEES

The trustees during the year were:

Constable G. Thorburn (appointed 16th May 2006)  
 Constable K. Fallows (retired on 16th May 2006)  
 Sergeant M. Nurthen  
 Inspector M. Crake (appointed on 16th May 2006)  
 Inspector D. Hathway (retired on 16th May 2006)

### INVESTMENTS

The investments are stated at cost unless their market value is significantly less than cost. At 31st December 2006 the market value exceeded the cost of the investments by £3,957,591 (2005: £3,178,271).

The majority of funds are invested in accumulation units of various St James's Place Unit Trusts. With accumulation units the deemed dividends are reinvested to enhance the value of the existing units. Dividends accumulated into the cost of existing St James's Place Unit Trusts during the year amounted to £146,136 (2005: £168,363).

During the year the Committee instructed its Unit Trust Managers to sell part of the Joint Fund's portfolio of St. James's Place unit trusts, on a proportionate basis, to raise £500,000 (2005: £6,000,000). The £500,000 (2005: £6,000,000) proceeds were required to enable the further financing of the new Headquarters.

The sale of the unit trusts realised a net profit of £244,270 (2005: £2,020,048) based on the adjusted cost, which includes reinvested accumulation dividends.

During the year no new monies were transferred to the brokers. At 31st December 2006 the deposit held with Morgan Stanley Quilter amounted to £1,513,766 (2005: £1,525,878).

	Cost Less Provision		Market Value	
	2006	2005	2006	2005
	£	£	£	£
<b>Fixed Interest Funds:</b>				
Fixed Interest Government Funds	429,760	429,760	434,958	437,918
Other Fixed Interest Funds	498,130	503,156	496,867	508,687
	<u>927,890</u>	<u>932,916</u>	<u>931,825</u>	<u>946,605</u>
<b>St James's Place Unit Trusts:</b>				
<b>(Accumulation Units)</b>				
Greater European Progressive Unit Trust	165,083	173,194	349,087	307,426
Recovery Unit Trust	498,321	524,818	1,183,867	1,111,687
Equity Income Unit Trust	995,846	985,041	1,909,874	1,734,572
UK & General Progressive Unit Trust	683,618	723,822	1,293,601	1,183,622
North American Unit Trust	90,687	105,290	128,621	144,141
Far East Unit Trust	153,478	159,923	332,119	330,098
UK High Income Unit Trust	911,796	913,345	1,781,634	1,532,281
International Unit Trust	453,244	476,414	926,926	882,602
	<u>3,952,073</u>	<u>4,061,847</u>	<u>7,905,729</u>	<u>7,226,429</u>
<b>Total</b>	<u><u>4,879,963</u></u>	<u><u>4,994,763</u></u>	<u><u>8,837,554</u></u>	<u><u>8,173,034</u></u>



**Constables' Central Committee**

**Treasurer's Report  
and  
Financial Accounts**

**For the year ended  
31st December 2006**

# Treasurer's Report and Accounts



## **CHAIRMAN**

R. Elder, (stood down 22nd November 2006)  
19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

J. Nesbit, (appointed 30th January 2007)  
19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **GENERAL SECRETARY AND TREASURER**

R. Wand,  
19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **TRUSTEES**

S. Smith,  
19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

M. Sutcliffe,  
19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

B. Thorn,  
19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **BANKERS**

National Westminster Bank Plc,  
10, Victoria Road,  
Surbiton,  
Surrey. KT6 4JY

## **STOCKBROKERS**

Quilter & Co Limited,  
St Helen's,  
1, Undershaft,  
London. EC3A 8BB

## **MANAGERS OF UNIT TRUST INVESTMENTS**

Axis Financial Planning Ltd.,  
Hargam House,  
40 Sandhurst Road,  
Wokingham,  
Berks. RG40 3JD

## **AUDITORS**

George Hay & Company,  
Chartered Accountants,  
Registered Auditors,  
83 Cambridge Street,  
Pimlico,  
London. SW1V 4PS



## TREASURER'S REPORT

For the year ended 31st December 2006

On behalf of the Constables Central Committee, I present the report and financial statements of the Police Federation Constables' Fund for the year ended 31st December 2006.

The amounts receivable from branch boards rose by £246,341. After deducting the 91.75% due to the Police Federation Joint Fund income was up by £20,323 to £1,212,794.

Total premises and administration costs of £676,964 were up by £55,402, principally due to the £38,803 subscription paid to Eurocop this year. Membership has now been terminated.

The other main fluctuations in expenditure were as follows:

- (i) Travelling and subsistence costs rose by £12,348 to £78,275. The research visit to Australia and increased costs of branch board secretaries meetings have contributed to this rise.
- (ii) Staff and committee training costs of £15,056 were up by £11,136 and reflected costs on the new document system.
- (iii) Leasehold flat costs rose by £13,987, of this increase £6,842 related to the additional depreciation of the three leasehold apartments in Leatherhead.
- (iv) Clerical assistance costs were up by £8,621 to £193,591.

Against the above increases in expenses, the main decreases were:

- (i) Computer costs fell by £10,089 to £26,418.
- (ii) Consultants fees were down by £11,222 at £48,232.
- (iii) Retirement function costs of £1,834 were down £4,269 on 2005.

There was a profit on the disposal of securities of £46,734 compared to a £1,903 loss the previous year.

Income from investments of £290,771 was up by £43,912 and £40,980 of this related to additional loan interest as 2005 was not a full year for this source.

There was a surplus for the year of £839,702 compared to £788,467 in 2005.

At 31st December 2006 the market value of securities exceeded cost by £2,301,019. At the same time last year the market value exceeded cost by £1,554,288.

An additional £650,000 was invested in unit trusts from the sales of other investments.

During the year the purchase of three leasehold apartments in Leatherhead were completed at a total cost of £873,309. In addition £23,570 was expended on extending the leasehold term of two of the Surbiton flats.

Net assets totalled £9,166,560 compared to £8,326,858 at the end of 2005.

Finally I would like to thank all the treasurers of the branch boards for their kind assistance.

A handwritten signature in black ink, appearing to read 'R. Wand'.

R. Wand  
Treasurer

Dated: 19th March 2007



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF POLICE FEDERATION CONSTABLES' FUND

We have audited the financial statements of the Police Federation Constables' Fund for the year ended 31st December 2006 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the federation's members, as a body. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report or for the opinions we have formed.

### Respective Responsibilities of the Management Committee and Auditors

The Management Committee's responsibilities for the preparing of financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Management Committee.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared.

In addition we report to you if, in our opinion, the Fund has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

### Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Fund's affairs as at 31st December 2006 and of its results for the year then ended: and
- the financial statements have been properly prepared in accordance with the Police Federation Regulations and Fund Rules.

George Hay & Company

Registered Auditors

Dated: 19th March 2007

Chartered Accountants

# Treasurer's Report and Accounts



## INCOME AND EXPENDITURE ACCOUNT

For the year ended 31st December 2006

	2006	2005
<b>INCOME</b>		
Amounts Receivable from Branch Boards	14,700,533	14,454,192
Less Payable to Police Federation Joint Fund - 91.75%	13,487,739	13,261,721
	1,212,794	1,192,471
Income from Investments:		
Bank Deposit Interest	101,928	96,189
Securities	102,377	109,690
Loan Interest	86,466	40,980
	290,771	246,859
Other Income:		
Leasehold Flat Rent Received	2,472	2,863
Sundry Interest Received	-	41
	2,472	2,904
	1,506,037	1,442,234
<b>EXPENSES</b>		
Premises	(note 7) 51,272	35,825
Administration	(note 8) 625,692	585,737
	676,964	621,562
<b>SURPLUS FOR YEAR BEFORE CAPITAL PROFITS/(LOSSES)</b>	829,073	820,672
<b>CAPITAL PROFITS/(LOSSES)</b>		
Profit/(Loss) on Disposal of Securities	46,734	(1,903)
	875,807	818,769
Corporation Tax	(36,105)	(30,302)
<b>RETAINED SURPLUS FOR YEAR</b>	£839,702	£788,467

# Treasurer's Report and Accounts



## BALANCE SHEET as at 31st December 2006

	2006	2005
<b>FIXED ASSETS</b> (note 3)	1,086,257	201,502
<b>CURRENT ASSETS</b>		
Investments (market value: £6,836,572 [2005: £5,856,578])	4,535,553	4,302,290
Cash on Deposit with Stockbrokers	134,917	206,364
Amount due from Branch Boards	1,989,912	1,807,842
Loans to Branch Boards	1,426,399	1,473,000
Debtors and Prepaid Expenses	90,454	65,794
Deposits on Leasehold Apartments	-	44,580
Cash at Bank:		
Deposit Account	3,756,648	3,851,293
Current Account	7,570	38,948
Cash in Hand	439	218
	<u>11,941,892</u>	<u>11,790,329</u>
<b>CURRENT LIABILITIES</b>		
Due to Police Federation Joint Fund	3,767,739	3,541,721
Creditors and Accrued Expenses	57,655	92,950
Corporation Tax	36,195	30,302
	<u>3,861,589</u>	<u>3,664,973</u>
<b>NET CURRENT ASSETS</b>	8,080,303	8,125,356
<b>NET ASSETS</b>	<u>£9,166,560</u>	<u>£8,326,858</u>
<b>REPRESENTED BY</b>		
<b>ACCUMULATED FUND</b>		
Balance 1st January 2006	8,326,858	7,538,391
Surplus for the Year	839,702	788,467
	<u>£9,166,560</u>	<u>£8,326,858</u>

Signed

J. Nesbit

Chairman

R. Wand

Treasurer

Dated: 19th March 2007



## CASH FLOW STATEMENT

For the year ended 31st December 2006

	2006	2005
Net Cash Inflow/(Outflow) from Operating Activities (note 4)	636,955	(199,852)
Returns on Investments and Servicing of Finance:		
Interest Received	188,394	137,169
Income from Securities	102,377	109,690
Net Cash Inflow from Returns on Investments and Servicing of Finance	290,771	246,859
Taxation Paid	(30,212)	(16,720)
Investing Activities:		
Payments to Acquire Tangible Fixed Assets	(908,234)	(9,666)
Purchase of Securities	(755,899)	(236,002)
Sale of Securities	569,370	157,979
Net Cash (Outflow) from Investing Activities	(1,094,763)	(87,689)
(Decrease) in Cash and Cash Equivalents (note 6)	£(197,249)	£(57,402)



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2006

### 1. ACCOUNTING POLICIES

#### 1.1 Accounting Convention

The financial statements have been prepared under the historical cost convention.

#### 1.2 Depreciation

Depreciation has been calculated at rates required to write off the relevant assets over their anticipated useful lives. The applicable annual rates are as follows:

Leasehold Flats, Fixtures and Fittings	25% reducing balance basis
Office Furniture and Equipment	25% reducing balance basis
Leasehold Flats	equally over the remaining years of the lease
Computer Equipment	25% straight line basis

#### 1.3 Taxation

Provision is made for Corporation Tax in respect of the Fund's liability to taxation on investment income and chargeable gains.

#### 1.4 Investments

Investments are valued at the lower of aggregate cost or aggregate market value unless there is considered to be a permanent and material fall in value of a particular security, whereupon a provision for the diminution in value is made.

### 2. STATEMENT OF RESPONSIBILITIES

Regulation 18(2) of the Police Federation Regulations requires the Committee, in relation to Federation funds held by it to keep accounts showing all monies received or paid out and to cause the accounts for each year to be audited by an independent auditor. In causing the accounts to be prepared, the Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- ensure that the accounts are prepared on the going concern basis unless it is appropriate to presume otherwise.

The Committee is responsible for keeping proper accounting records and is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st December 2006

### 3. FIXED ASSETS

	Leasehold Flats £	Leasehold Flats, Fixtures and Fittings £	Office Furniture and Equipment £	Computer Equipment £	Total £
Cost:					
At 1st January 2006	182,450	62,729	246,594	200,176	691,949
Additions	896,879	-	11,355	-	908,234
At 31st December 2006	1,079,329	62,729	257,949	200,176	1,600,183
Depreciation:					
At 1st January 2006	17,504	59,870	229,865	183,208	490,447
Charge for Year	8,217	715	7,021	7,526	23,479
At 31st December 2006	25,721	60,585	236,886	190,734	513,926
Net Book Value:					
At 31st December 2006	1,053,608	2,144	21,063	9,442	1,086,257
At 31st December 2005	164,946	2,859	16,729	16,968	201,502

### 4. RECONCILIATION OF SURPLUS FOR THE YEAR BEFORE TAXATION TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2006 £	2005 £
Surplus for Year before Taxation	875,807	818,769
Depreciation Charged in Year	23,479	16,256
Increase in Creditors	190,723	26,761
Less Interest Received in Year	(188,394)	(137,169)
Income from Securities	(102,377)	(109,690)
(Profit)/Loss on Disposal of Securities	(46,734)	1,903
(Increase) in Debtors	(115,549)	(816,682)
	636,955	(199,852)

# Treasurer's Report and Accounts



## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st December 2006

### 5. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING YEAR

	2006 £	2005 £
Balance at 1st January 2006	4,096,823	4,154,225
Net Cash (Outflow)	(197,249)	(57,402)
Balance at 31st December 2006	<u>3,899,574</u>	<u>4,096,823</u>

### 6. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN BALANCE SHEET

	2006 £	Change in Year £	2005 £
Cash on Deposit with Stockbrokers	134,917	(71,447)	206,364
Cash at Bank	3,764,218	(126,023)	3,890,241
Cash in Hand	439	221	218
	<u>3,899,574</u>	<u>(197,249)</u>	<u>4,096,823</u>

### 7. PREMISES EXPENSES

	2006 £	2005 £
Office:		
Cleaning	5,656	5,668
Insurance and Charges	12,365	11,882
Light and Heat	3,781	2,297
Repairs	-	495
	21,802	20,342
Leasehold Flat:		
Depreciation of Leasehold Flats	8,217	1,375
Depreciation of Fixtures and Fittings	715	953
Insurance, Ground Rent and Charges	4,913	4,598
Light and Heat	2,793	2,288
Repairs, Service Charges and Cleaning	7,974	6,012
Replacement Fixtures and Fittings	4,858	257
	29,470	15,483
	<u>51,272</u>	<u>35,825</u>

# Treasurer's Report and Accounts



## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st December 2006

### 8. ADMINISTRATION EXPENSES

	2006 £	2005 £
Audit and Accountancy	7,972	7,516
Charity Dinners	1,142	925
Clerical Assistance	193,591	184,970
Computer Costs	26,418	36,507
Conference, Video and Public Relations	77,933	77,168
Consultants Fees	48,232	59,454
Contribution to Secretary's Pay	16,221	16,640
Depreciation of Computer Equipment	7,526	8,352
Depreciation of Office Furniture and Equipment	7,021	5,576
Donation to National Police Memorial Day	1,400	-
Donations – Other	-	1,035
Eurocop Subscription	38,803	-
General Expenses	7,604	6,740
Honoraria - Chairman	5,100	4,950
- Vice Chairman	5,100	4,950
- Deputy General Secretary	2,550	4,950
Income Tax and Social Security Charges on Honoraria	7,375	7,076
Income Tax on Motor Mileage Allowances	2,032	2,279
Income Tax on Accommodation	552	551
Legal and Professional Fees	4,523	2,826
Printing, Postage and Stationery	11,792	13,749
Repairs and Maintenance of Equipment	1,072	4,919
Retirement Functions	1,834	6,103
Staff Lunches	2,632	2,392
Staff Superannuation	49,415	48,315
Staff and Committee Training	15,056	3,920
Stockbrokers Management Fees	3,230	6,330
Telephone	1,291	1,617
Travelling and Subsistence	78,275	65,927
	<u>625,692</u>	<u>585,737</u>

# Treasurer's Report and Accounts



## REPORT OF THE TRUSTEES

For the year ended 31st December 2006

### TRUSTEES

The trustees as at 31st December 2006 were as follows:

S. Smith  
M. Sutcliffe  
B. Thorn

### INVESTMENTS

In the year the total funds held by the trustees increased by £184,485. This comprised £140,981 from dividends and deposit interest received, £46,734 from profits on sales of securities, less £3,230 stockbrokers management fees.

At 31st December 2006, £121,271 was invested in the narrower range of investments and £4,414,282 in the wider range. The market value of the securities at that date was £2,301,019 above the cost price compared with £1,554,258 above the cost price at 31st December 2005.

### FUNDS

At 31st December 2006 the trustees held the following funds:

	31st December 2006	31st December 2005
National Westminster Bank Plc:		
Current Account	50	50
Deposit Account	1,092,180	1,069,511
Securities (market value: £6,836,572 [2005: £5,856,578])	4,535,553	4,302,290
Cash on Deposit with Stockbrokers	134,917	206,364
	<hr/> <hr/>	<hr/> <hr/>
	£5,762,700	£5,578,215

S. Smith  
M. Sutcliffe  
B. Thorn  
Trustees

Dated: 19th March 2007

# Treasurer's Report and Accounts



## SUMMARY OF SECURITIES HELD BY THE TRUSTEES

at 31st December 2006

	31st December 2006		31st December 2005	
	Cost	Market Value	Cost	Market Value
UK Equities:				
Services and Other Groups	-	-	6,812	37,740
Others:				
Unit Trusts	4,385,162	6,385,971	3,626,927	4,898,702
USA Equities	8,473	93,316	14,088	79,803
European Equities	20,647	230,200	20,647	201,200
Fixed Interest Government Funds	72,004	81,792	301,632	312,127
Other UK Fixed Interest	49,267	45,293	332,184	327,006
Total	<u>£4,535,553</u>	<u>£6,836,572</u>	<u>£4,302,290</u>	<u>£5,856,578</u>



**Sergeants' Central Committee**

**Treasurer's Report  
and  
Financial Accounts**

**For the year ended  
31st December 2006**

# Treasurer's Report and Accounts

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## **CHAIRMAN**

P. J. McKeever,  
15/19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **GENERAL SECRETARY AND TREASURER**

I. Rennie,  
15/19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **TRUSTEES**

R. Scanes,  
15/19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

I. Springett,  
15/19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

M. Nurthen,  
15/19 Langley Road,  
Surbiton,  
Surrey. KT6 6LP

## **BANKERS**

National Westminster Bank Plc,  
10 Victoria Road,  
Surbiton,  
Surrey. KT6 4JY

## **MANAGERS OF UNIT TRUST INVESTMENTS**

Axis Financial Planning Ltd.  
Hargam House  
40 Sandhurst Road  
Wokingham  
Berks RG40 3JD

## **AUDITORS**

George Hay & Company,  
Chartered Accountants,  
Registered Auditors,  
83 Cambridge Street,  
Pimlico,  
London. SW1V 4PS

# Treasurer's Report and Accounts



## TREASURER'S REPORT

### For the year ended 31st December 2006

On behalf of the Sergeants Central Committee, I present the report and financial statements of the Police Federation Sergeants' Fund for the year ended 31st December 2006.

After deducting the 89% proportion due to the Police Federation Joint Fund our share of the subscription income of £322,624 was up by £21,987 on the previous year, an increase of 7.3%.

Other income fell by £6,922. At 31st December 2005, the market value of our investments was £47,166 above cost. At 31st December 2006 market value exceeded cost by £85,674. In 2005, as the value of investments was no longer less than market value, a credit of £29,823 was released, removing the provision made in prior years. A profit of £13,321 was made on the sale of securities in the year compared to a £15,177 loss in the previous year. Bank deposit interest received fell by £5,295.

Expenditure for the year of £256,913 was up by £23,609. This was principally because of the £30,161 increase in consultants fees. File planning services costs were £5,945, there being no comparative cost in 2005. Travelling expenses fell by £13,892.

There was a surplus for the year of £104,757 compared to the £113,301 in 2005.

The purchase of a leasehold apartment in Leatherhead was completed in the year and costs totalled £258,372, which is reflected in the fall of our cash on deposit of £222,962. A further £22,982 from general funds was invested in unit trusts in the year.

Finally, I would like to thank all branch board treasurers for their kind assistance throughout the year.

I. Rennie  
Treasurer

Dated 21st March 2007

# Treasurer's Report and Accounts



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE POLICE FEDERATION SERGEANTS' FUND

We have audited the financial statements of the Police Federation Sergeants' Fund for the year ended 31st December 2006 which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Fund's members, as a body. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report or for the opinions we have formed.

### Respective Responsibilities of the Management Committee and Auditors

The Management Committee's responsibilities for the preparing of financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Management Committee.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared.

In addition we report to you if, in our opinion, the Fund has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

### Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Fund's affairs as at 31st December 2006 and of its results for the year then ended; and
- the financial statements have been properly prepared in accordance with the Police Federation Regulations and Fund Rules.

George Hay & Company  
Registered Auditors  
Chartered Accountants

Dated 21st March 2007

# Treasurer's Report and Accounts



## INCOME AND EXPENDITURE ACCOUNT

For the year ended 31st December 2006

	2006	2005
Income:		
Amounts Receivable from Branch Boards	2,932,947	2,733,062
Less Payable to Police Federation Joint Fund - 89%	2,610,323	2,432,425
	<u>322,624</u>	<u>300,637</u>
Other Income:		
Income from Securities	11,530	11,871
Bank Deposit Interest	14,151	19,446
Profit/(Loss) on Disposal of Securities	13,321	(15,177)
Provision for Diminution in Value of Securities	-	29,823
Other Interest	44	5
	<u>39,046</u>	<u>45,968</u>
Total Income	<u>361,670</u>	<u>346,605</u>
Expenditure:		
Audit and Accountancy	4,380	3,898
Conference Stage, Services and Speaker	21,596	19,657
Consultants Fees	61,566	31,405
Computer and Internet Costs	1,238	-
Corporation Tax	2,606	3,849
Depreciation of Computer Equipment	857	1,653
Depreciation of Office Furniture and Equipment	2,033	2,541
Donations - Police Memorial Day Trust	1,000	-
Donations - Other	-	535
File Planning Service	5,945	-
General Expenses	1,963	4,944
Honoraria:		
Chairman	3,813	3,702
General Secretary	3,813	3,702
Treasurer	3,813	3,702
Income Tax on Honoraria	10,625	8,687
Income Tax on Motor Mileage Allowances	1,582	666
Leasehold Flat - Depreciation of Fixtures and Fittings	581	773
Leasehold Flat Expenses:		
Depreciation of Leasehold Flats	2,991	924
Light and Heat and Charges	2,228	1,768
Repairs, Maintenance and Insurance	2,387	1,830
Office Premises Expenses:		
Business Rates	4,092	3,916
Cleaning	1,761	1,748
Light and Heat	911	1,016
carried forward	<u>141,781</u>	<u>101,056</u>

# Treasurer's Report and Accounts



## INCOME AND EXPENDITURE ACCOUNT for the year ended 31st December 2006 (continued)

	2006	2005
brought forward	141,781	101,056
Office Premises Repairs	-	704
Printing, Postage and Stationery	3,677	4,958
Professional Fees	2,467	1,211
Repairs, Maintenance and Hire of Equipment	599	3,417
Retirement Gifts	-	1,959
Staff Lunches	1,022	978
Staff Superannuation	14,327	13,916
Telephone and Fax	1,790	1,348
Travelling Expenses	34,009	47,901
Trustees Travelling Expenses	1,722	2,189
Wages and Social Security Contributions	55,519	53,807
Total Expenditure	256,913	233,304
SURPLUS FOR THE YEAR	£104,757	£113,301

# Treasurer's Report and Accounts



## BALANCE SHEET as at 31st December 2006

	Notes	2006	2005
FIXED ASSETS	3	342,772	90,862
CURRENT ASSETS			
Investments at Cost (market value £751,580, 2005: £619,015)		665,906	571,849
Cash on Deposit with Stockbrokers		-	44,428
Amounts Due from Branch Boards	4	567,017	568,026
Debtors and Prepaid Expenses		5,162	20,071
Cash at Bank:			
Current Account		(1,396)	(3,124)
Deposit Accounts		339,143	562,105
Cash in Hand		198	215
		1,576,030	1,763,570
LESS			
CURRENT LIABILITIES			
Due to Police Federation Joint Fund		782,323	812,425
Corporation Tax		2,606	3,849
Creditors and Accrued Expenses		24,530	33,572
		809,459	849,846
NET CURRENT ASSETS		766,571	913,724
NET ASSETS		£1,109,343	£1,004,586
REPRESENTED BY			
ACCUMULATED FUND			
Balance at 1st January 2006		1,004,586	891,285
Surplus for the Year		104,757	113,301
		£1,109,343	£1,004,586

Signed .....Chairman  
P. J. McKeever

.....Treasurer  
I. Rennie

Dated 21st March 2007  
Page 6.



## NOTES TO THE ACCOUNTS

for the year ended 31st December 2006

### 1. ACCOUNTING POLICIES

#### 1.1 Accounting Convention

The accounts have been prepared under the historical cost convention.

#### 1.2 Depreciation

Depreciation has been calculated at rates required to write off the relevant assets over their anticipated useful lives. The applicable annual rates are as follows:

Computer Equipment	25% straight line
Leasehold Flat's Fixtures and Fittings	25% reducing balance basis
Office Furniture and Equipment	20% reducing balance basis
Leasehold Flat	equally over the remaining years of the lease

#### 1.3 Taxation

Provision is made for Corporation Tax in respect of the Fund's liability to taxation on investment income.

#### 1.4 Investments

Investments are valued at the lower of aggregate cost or aggregate market value unless there is considered to be a permanent and material fall in value of a particular security, whereupon a provision for the diminution in value is made.

### 2. STATEMENT OF RESPONSIBILITIES

Regulation 18(2) of the Police Federation Regulations requires the Committee, in relation to Federation funds held by it to keep accounts showing all monies received or paid out and to cause the accounts for each year to be audited by an independent auditor. In causing the accounts to be prepared, the Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- ensure that the accounts are prepared on the going concern basis unless it is appropriate to presume otherwise.

The Committee is responsible for keeping proper accounting records and is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Treasurer's Report and Accounts



## NOTES TO THE ACCOUNTS

for the year ended 31st December 2006

### 3. FIXED ASSETS

	Leasehold Flats £	Leasehold Flats, Fixtures and Fittings £	Office Furniture and Equipment £	Computer Equipment £	Total £
Cost:					
Opening Balance	85,040	15,385	100,426	20,519	221,370
Additions	258,372	-	-	-	258,372
At 31st December 2006	343,412	15,385	100,426	20,519	479,742
Depreciation:					
Opening Balance	8,352	13,063	90,262	18,831	130,508
Charge for Year	2,991	581	2,033	857	6,462
At 31st December 2006	11,343	13,644	92,295	19,688	136,970
Net Book Value:					
At 31st December 2006	332,069	1,741	8,131	831	342,772
At 31st December 2005	76,688	2,322	10,164	1,688	90,862

### 4. AMOUNTS DUE FROM BRANCH BOARDS

	2006 £	2005 £
Avon and Somerset	11,394	11,444
Bedfordshire	3,858	2,827
Cambridgeshire	4,498	1,426
Cheshire	7,210	1,676
City of London	1,865	(184)
Cleveland	7,321	4,479
Cumbria	2,009	(1)
Derbyshire	6,206	6,006
Devon and Cornwall	20,497	21,146
Dorset	7,662	6,956
carried forward	72,520	55,775

# Treasurer's Report and Accounts



## NOTES TO THE ACCOUNTS

for the year ended 31st December 2006

### 4. AMOUNTS DUE FROM BRANCH BOARDS (continued)

	2006	2005
brought forward	72,520	55,775
Durham	2,765	2,588
Dyfed Powys	(292)	2,694
Essex	38	2,946
Gloucestershire	5,602	7,596
Greater Manchester	15,953	22,723
Gwent	2,731	2,523
Hampshire	3,737	1,367
Hertfordshire	5,755	5,460
Humberside	783	5,522
Kent	1,875	1,361
Lancashire	6,343	762
Leicestershire	15,693	9,747
Lincolnshire	3,236	4,684
Merseyside	16,787	16,977
Metropolitan	215,868	246,329
National Crime Squad	2,409	175
Norfolk	3,079	1,251
North Wales	2,956	2,883
North Yorkshire	13,213	13,512
Northamptonshire	4,879	4,362
Northumbria	25,774	18,064
Nottinghamshire	10,551	10,816
South Wales	22,500	30,820
South Yorkshire	4,948	19,598
Staffordshire	21,847	18,328
Suffolk	2,155	-
Surrey	3,216	6,225
Sussex	15,219	3,155
Thames Valley	19,799	16,713
Warwickshire	713	70
West Mercia	22,666	7,945
West Midlands	(54)	2,219
West Yorkshire	18,729	20,204
Wiltshire	3,024	2,632
	<u>£567,017</u>	<u>£568,026</u>

# Treasurer's Report and Accounts



## REPORT OF THE TRUSTEES OF THE POLICE FEDERATION SERGEANTS' FUND

for the year ended 31st December 2006

### TRUSTEES

The trustees at 31st December 2006 were as follows:

Mr. R. Scanes  
Mr. M. Nurthen  
Mr. I. Springett

### INVESTMENTS

During the year the Sergeants Central Committee acting on the advice of Axis Financial Planning Ltd. invested a further £350,000 into unit trust investments, £326,995 of this came from the sale of other securities and £22,982 from general funds.

The total funds held by trustees increased by £49,629 during the year. This comprised the additional £22,982 invested, plus £13,326 income from securities and deposit interest received and £13,321 profit on disposals.

At 31st December 2006, £665,906 had been invested in unit trusts. The market value of the securities at that date was £85,674 above the cost price compared with the position at 31st December 2005 when the market value was £47,166 above cost price.

### FUNDS

At 31st December 2006 the trustees held the following funds:

	2006	2005
Securities (market value £751,580, 2005: £619,015)	665,906	571,849
Cash on Deposit with Stockbrokers	-	44,428
	<u>£665,906</u>	<u>£616,277</u>

R. Scanes  
M. Nurthen  
I. Springett  
Trustees

Dated: 21st March 2007

# Treasurer's Report and Accounts



## SUMMARY OF SECURITIES HELD BY THE TRUSTEES OF THE POLICE FEDERATION SERGEANTS' FUND

at 31st December 2006

### UK EQUITIES

Mineral Extraction	-	-	21,921	28,385
General Industrials	-	-	10,989	11,174
Consumer Groups	-	-	18,570	15,478
Services and Other Groups	-	-	32,664	27,932
Utilities	-	-	6,424	7,621
Financial Groups	-	-	39,737	40,784
Information Technology	-	-	2,979	1,287
	<u>-</u>	<u>-</u>	<u>133,284</u>	<u>132,661</u>

### OTHERS

Unit Trusts	665,906	751,580	334,121	373,920
International Equities	-	-	7,998	10,750
Fixed Interest Government Funds	-	-	96,446	101,684
	<u>665,906</u>	<u>751,580</u>	<u>438,565</u>	<u>486,354</u>
<b>TOTAL</b>	<u>£665,906</u>	<u>£751,580</u>	<u>£571,849</u>	<u>£619,015</u>



**Inspectors' Central Committee**

**Treasurer's Report  
and  
Financial Accounts**

**For the year ended  
31st December 2006**

# Treasurer's Report and Accounts



## TREASURER'S REPORT

For the year ended 31st December 2006

On behalf of the Inspectors' Central Committee, I present the report and financial statements of the Police Federation Inspectors' Fund for the year ended 31 December 2006.

After allowing for the deduction of the proportion of 82.75% due to the Police Federation Joint Fund, the Inspectors' Fund share of subscriptions income from members was £213,971, compared to last year's figure of £201,368. This was an increase of 6.26%, reflecting firstly, an increase of the yearly average contributing members from 8,653 to 8,814 and secondly, a small increase in weekly subscriptions.

Total expenditure this year increased from £146,334 last year to £178,312 this year. The main reasons for this increase were as follows:

- £25,308 was spent during the year on the training and development survey. The budget for this project was £30,000 and as a result of this under spend, the ICC have agreed to donate £5,000 to the JCC towards the cost of a research project into PDR Systems.
- £6,465 secretary's allowance amounted to this year; in 2005 there was a write back of £14,138 being unpaid secretarial allowances for a previous secretary.
- Clerical assistance including pension costs has increased 3% from £45,919 to £47,423. This is in line with budget and the agreed 3% annual salary increase.
- Both annual conference costs and travelling and subsistence costs were comparable with the previous year's costs and in line with budget.

The overall increase in expenditure, offset by a smaller increase in subscriptions income, has resulted in a surplus from subscriptions of £35,659 compared to £55,034 in the previous year.

Other income, however, rose from £26,699 last year to £40,897 this year. This increase is explained mainly by the £10,000 donation made by the Metropolitan Police Federation Inspectors Branch Board Fund, which was a contribution towards the Training and Development Survey. Bank Deposit Interest from bank accounts and corporate bonds invested during the year increased by 14.63%. During the year the Trustees decided to change the existing interest bearing accounts and opened a new special interest bearing account offering better interest rates.

The overall surplus for the year was £76,556, slightly less than the previous year's surplus of £81,733 (6.33% reduction).

As for the Fund's balance sheet, the following variances are noted:

- Amounts due from Branch Boards increased by £20,874, a 19.22% increase. A schedule of these amounts can be seen in note 6 of the accounts.
- Debtors increased by 43%, mainly due to a deposit being paid for furniture and fittings in relation to the new Inspector's flat in Leatherhead, which did not complete until February 2007. Again the details of debtors can be seen in note 7 of the accounts.
- Cash at bank and in hand dropped slightly from £723,281 to £712,947, a fall of 1.43%.
- Within creditors, amounts due to the Police Federation Joint Fund decreased by £43,359, (13.87%). A full breakdown of creditors can be found in note 8 in the accounts.
- Net assets totalled £652,902 compared to £576,346 at the end of 2005.

In conclusion, the Inspectors' Central Committee funds remain healthy. Your Inspectors' Central Committee will continue to ensure that careful budgeting of our funds and regular monitoring of our costs as they occur during the year best serve our members' interests.

I would like to thank all Branch Board Treasurers for their kind assistance throughout the year.

G Appleby  
Treasurer

26 March 2007

# Treasurer's Report and Accounts

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## **CHAIRMAN**

G Appleby – resigned 30 January 2007  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

Paul Ginger - appointed 30 January 2007  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

## **SECRETARY and TREASURER**

R Kitchen - resigned 30 January 2007  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

G Appleby – appointed 30 January 2007  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

## **TRUSTEES**

C Green  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

P Ginger - resigned 30 January 2007  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

D Pellatt  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

M Pearson – appointed 26 March 2007  
15/17 Langley Road  
Surbiton  
Surrey KT6 6LP

The Chairman, Secretary and Treasurer and Trustees are members of the Inspectors' Central Committee.

The following individuals are also members of the Committee:

T Hayden (Vice Chairman), A Jones (Deputy Secretary and Treasurer), J Francis, D Moore, M Pearson (appointed 5 February 2007) and Mrs J Berry.

# Treasurer's Report and Accounts

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## **AUDITORS**

Hartley Fowler LLP  
Chartered Accountants  
Registered Auditors  
4th Floor Tuition House  
27/37 St George's Road  
Wimbledon  
London SW19 4EU

## **BANKERS**

National Westminster Bank Plc  
10 Victoria Road  
Surbiton  
Surrey  
KT6 4JY

## **SOLICITORS**

Russell Jones and Walker  
Swinton House  
324 Gray's Inn Road  
London WC1X 8DH

# Treasurer's Report and Accounts



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF POLICE FEDERATION INSPECTORS' FUND**

We have audited the financial statements on pages 4 to 9 of Police Federation Inspectors' Fund for the year ended 31 December 2006, which comprise the Income and Expenditure account, Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and on the basis of accounting policies set out on page 6.

This report is made solely to the Fund's members, as a body. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF THE INSPECTORS' CENTRAL COMMITTEE AND AUDITORS**

As described in the statement of responsibilities on page 6 the Committee is responsible for the preparation of the financial statements in accordance with Regulation 18(2) of the Police Federation Regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Police Federation Regulations and Fund Rules. We also report to you if, in our opinion the Fund has not kept proper accounting records and if we have not received all the information and explanations we require for our audit.

### **BASIS OF OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **OPINION**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Police Federation Inspectors' Fund at 31 December 2006 and of its results for the year then ended; and
- have been properly prepared in accordance with the Police Federation Regulations and Fund Rules.

**HARTLEY FOWLER LLP**  
Registered Auditor  
Chartered Accountants

**4th Floor Tuition House**  
27/37 St George's Road, Wimbledon, London SW19 4EU

**26 March 2007**

# Treasurer's Report and Accounts



## INCOME AND EXPENDITURE ACCOUNT

For the year ended 31st December 2006

	Notes	£	2006 £	£	2005 £
<b>INCOME</b>					
Amounts Receivable from Branch Boards			1,240,411		1,167,350
Less: Payable to Police Federation Joint Fund – 82.75% (2005:82.75%)			(1,026,440)		(965,982)
		213,971		201,368	
<b>EXPENDITURE</b>					
Audit and accountancy		3,408		2,820	
Bank charges		-		66	
Clerical assistance including pension costs		47,423		45,919	
Computer costs		334		3,556	
Conference and annual report costs	3.1	24,230		25,521	
Consultants fees and expenses		1,089		417	
Corporation tax		3,100		2,300	
Corporation tax – previous year		905		8	
Depreciation		4,369		5,156	
Donations	3.2	1,250		1,350	
Donation to JCC	3.3	5,000		3,967	
Functions and presentations		3,935		5,113	
Income tax on motor mileage allowances		2,870		3,841	
Income tax on accommodation		350		260	
Insurance		-		(20)	
Leasehold flat expenses		5,406		9,997	
Legal and professional fees		1,418		1,571	
Maintenance and repairs		165		82	
Meeting expenses		9,458		9,821	
Office premises expenses		2,340		2,156	
Printing, postage and stationery		3,010		4,044	
Projects – Research Project		25,308		1,254	
Secretary's allowance		6,465		3,758	
Secretary's allowance write back	3.4	-		(14,138)	
Sundry expenses		2,192		2,411	
Telephone		299		346	
Travelling and subsistence		23,988		24,758	
<b>TOTAL EXPENDITURE</b>			<b>(178,312)</b>		<b>(146,334)</b>
<b>SURPLUS FROM SUBSCRIPTIONS</b>			<b>35,659</b>		<b>55,034</b>
Donation – Metropolitan Police Federation Inspectors Branch Board Fund	3.5		10,000		2,000
Donation - Kent			3,967		-
Sundry income	3.6		-		1,205
Bank Deposit Interest			26,930		23,494
<b>SURPLUS FOR THE YEAR</b>			<b>76,556</b>		<b>81,733</b>

# Treasurer's Report and Accounts



## BALANCE SHEET

For the year ended 31st December 2006

	Notes	2006		2005	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		82,810		85,770
<b>CURRENT ASSETS</b>					
Amounts due from Branch Boards	6	129,493		108,619	
Debtors	7	24,075		16,785	
Cash at bank and in hand		712,947		723,281	
		<u>866,515</u>		<u>848,685</u>	
<b>CURRENT LIABILITIES</b>					
Creditors – amounts falling due within one year	8	296,423		358,109	
		<u>296,423</u>		<u>358,109</u>	
<b>NET CURRENT ASSETS</b>			<u>570,092</u>		<u>490,576</u>
<b>TOTAL NET ASSETS</b>			<u><u>652,902</u></u>		<u><u>576,346</u></u>
<b>REPRESENTED BY</b>					
Accumulated Fund:					
Balance at 1 January 2006			576,346		494,613
Add: Surplus for the year			76,556		81,733
			<u>652,902</u>		<u>576,346</u>

Signed on behalf of the Inspectors' Central Committee  
on 26 March 2007

G Appleby ..... Treasurer

P Ginger ..... Chairman



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2006

### 1. ACCOUNTING POLICIES

#### 1.1 Accounting conventions

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### 1.2 Depreciation of tangible assets

Depreciation is provided on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Leasehold flat:	- evenly over the lease term
Leasehold flat's Fixtures and fittings:	- 25% per annum on reducing balance
Computer equipment:	- 25% per annum on reducing balance
Office furniture and equipment:	- 10% per annum on reducing balance

#### 1.3 Taxation

Provision is made for corporation tax in respect of the Fund's liability to taxation on investment income.

### 2. STATEMENT OF RESPONSIBILITIES

The Committee is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Regulation 18(2) of the Police Federation Regulations requires the Committee, in relation to Federation funds held by it, to keep accounts showing all monies received or paid out and to cause the accounts for each year to be audited by an independent auditor. In causing the accounts to be prepared, the Committee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- ensure that the accounts are prepared on the going concern basis unless it is appropriate to presume otherwise.

The Committee is responsible for keeping proper accounting records and is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### 3. INCOME AND EXPENDITURE

#### 3.1 Conference and annual report costs

Included as receipts within conference and annual report costs this year are a contribution of £3,000 towards the costs of the conference from Inspectors Branch Board of the Metropolitan Police Federation and a £5,000 (2005: £5,000) contribution from the conference partnership scheme.

# Treasurer's Report and Accounts



## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st December 2006

### 3. INCOME AND EXPENDITURE – continued

#### 3.2 Donations

Donations made this year:

	£
Police Dependants' Trust charity dinner	650
Chief Constable's Dinner	100
London Marathon - National Police Memorial & Rupert Charities	500

#### 3.3 Donation to Joint Central Committee

It has been agreed that a donation of £5,000 is to be paid to the Joint Central Committee to assist with the costs of the research project into PDR systems. This was agreed by the ICC during the June 2006 committee meeting.

Last year Kent Police Federation Joint Branch Board made an overpayment to the Police Federation Inspectors' Fund of £3,967. This overpayment was subsequently donated to the JCC according to the wishes of Kent Police Federation JBB.

#### 3.4 Secretary's allowance write back

During the period from August 2000 to May 2005 a provision was made for the Secretary's allowance of a former General Secretary, J Francis. This provision is now no longer needed and was therefore written back last year.

#### 3.5 Donation from Metropolitan Police Federation Inspectors Branch Board Fund

During last year a £2,000 donation was received from the Metropolitan Police Federation Inspectors Branch Board Fund. A further £10,000 was also received as a contribution towards the cost of a Training and Development Survey to be carried out in this year. This donation was therefore been deferred until this year. (see note 8).

#### 3.6 Sundry Income

Last year the amount of £1,205 was received from Wiltshire Police Federation Joint Branch Board which related to an underpayment from a previous year. This amount was treated sundry income.

# Treasurer's Report and Accounts



## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st December 2006

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2006 £		2005 £
4.1 Based on the results of the year:			
UK corporation tax at 19% (2005 – 19%)	3,100		2,300
Under provision from previous year	905		8
	<u>4,005</u>	2,308	<u>8</u>
	_____		_____

### 5. TANGIBLE FIXED ASSETS

	Leasehold Flat £	Leasehold fixtures and fittings £	Office and Computer Equipment £	Total £
Cost:				
At 1 January 2006	68,779	31,236	95,327	195,342
Additions	-	-	1,409	1,409
	<u>68,779</u>	<u>31,236</u>	<u>96,736</u>	<u>196,751</u>
At 31 December 2006	68,779	31,236	96,736	196,751
Depreciation:				
At 1 January 2006	7,577	29,177	72,818	109,572
Charge for the year	412	515	3,442	4,369
	<u>7,989</u>	<u>29,692</u>	<u>76,260</u>	<u>113,941</u>
At 31 December 2006	7,989	29,692	76,260	113,941
Net book value at 31 December 2006	<u>60,790</u>	<u>1,544</u>	<u>20,476</u>	<u>82,810</u>
Net book value at 31 December 2005	<u>61,202</u>	<u>2,059</u>	<u>22,509</u>	<u>85,770</u>

# Treasurer's Report and Accounts



## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st December 2006

### 6. AMOUNTS DUE FROM BRANCH BOARDS

	2006 £	2005 £
Avon and Somerset	5,097	4,553
Bedfordshire	1,894	1,488
Cambridgeshire	3,230	1,630
Cheshire	(4)	(1,207)
City of London	722	125
Cleveland	655	(1,743)
Cumbria	870	35
Derbyshire	2,483	2,402
Devon and Cornwall	13,262	10,354
Dorset	3,464	3,352
Durham	-	16
Dyfed Powys	(3,200)	3,898
Essex	(1,809)	2,012
Gloucestershire	2,396	1,885
Greater Manchester	7,981	7,833
Gwent	1,083	1,037
Hampshire	(9,362)	(10,987)
Hertfordshire	2,437	2,773
Humberside	-	-
Kent	985	(3,967)
Lancashire	2,476	(309)
Leicestershire	10,063	4,558
Lincolnshire	(2,181)	(101)
Merseyside	2,596	4,661
Metropolitan	20,153	(336)
National Crime Squad	2,525	-
Norfolk	2,009	(138)
North Wales	-	1,091
North Yorkshire	4,220	3,822
Northamptonshire	4,483	3,903
Northumbria	11,604	7,389
Nottinghamshire	4,827	4,779
South Wales	9,224	13,443
South Yorkshire	2,292	9,173
Staffordshire	7,965	6,446
Suffolk	959	-
Surrey	1,331	1,288
Sussex	5,397	1,020
Thames Valley	8,339	7,680
Warwickshire	1,046	688
West Mercia	8,048	3,138
West Midlands	(20,424)	140
West Yorkshire	8,903	9,160
Wiltshire	1,454	1,635
	<u>129,493</u>	<u>108,619</u>

The above figures are extracted from the F45s submitted by each branch board and adjusted for by any cash in transit.

# Treasurer's Report and Accounts



## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st December 2006

### 7. DEBTORS

	2006 £	2005 £
Deposit on new flat	13,498	13,498
Furniture and fitting for new flat	10,209	-
Prepayments	368	3,287
	<u>24,075</u>	<u>16,875</u>

### 8. CREDITORS – amounts falling due within one year

	2006 £		2005 £
Amounts due to Police Federation Joint Fund	269,194		312,553
Corporation tax due	3,100		2,300
PAYE/NIC due	889		830
Deferred donation from Metropolitan Police Federation Inspectors Branch Board Fund	-		10,000
Accruals	23,240	32,426	
	<u>296,423</u>		<u>358,109</u>

### 9. CAPITAL COMMITMENTS

At 31 December 2006, the Trustees had authorised and contracted for capital expenditure relating to the purchase of a new property for £249,950. The completion date was 16 February 2007.