

Treasurer's Annual Report and Accounts

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TREASURER

Martyn Mordecai
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AUDITORS

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SOLICITORS

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BANKERS

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TREASURER'S ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER 2013

FOREWORD

It is my pleasure, on behalf of the Joint Central Committee, to present my fifth report as Treasurer of the Police Federation Joint Fund, together with the Financial Statements for the year ended 31st December 2013.

It has been another challenging year for the Federation having to deal with a number of important policing issues arising from the Winsor II recommendations, the Hutton report and dealing with the ever increasing complexity of legal matters on behalf of our members.

Despite having to deal with these challenges in the year, the Federation achieved a surplus of subscription income over expenditure for the year of £1,681,336 compared to a surplus of £4,989,223. The Federation has continued to manage its finances more prudently and control expenditure more effectively under my direction. We have managed legal expenditure to ensure that members receive the cost benefits from spending on legal cases. These tighter controls on legal fees have been due to the concerted efforts of our team including the implementation of the e-billing system, which assists us to monitor and review costs and ensure the outcome of cases are favourable to our members.

Furthermore I am pleased to report Federation House has achieved an increased surplus again, full details are disclosed in Note 16.

Income from investments totalled £496,298 (2012: £395,508) and other income amounted to £42,125 (2012: £86,102). After accounting for the above, the surplus before gains was £2,219,864 compared to a surplus of £5,449,233 last year.

Federation Investments held by our Brokers now stand at a cost value of £14,138,220 (Market Value £17,386,389) compared to the previous year's cost value of £10,965,612 (Market Value £12,688,192). Due to the current stock market conditions, the portfolio valuation has become stronger due to the reinvestment of income in the year, however we remain cautious due to the unsettled economic situation in the country.

The retained surplus for the year amounted to £81,611 (2012: surplus £3,641,253).

BALANCE SHEET

Page 5 details the Federation's assets and liabilities and I am pleased to say that the net assets now total £33,810,106 (2012: £33,728,495). Our fixed assets now stand at £28,220,662 (2012: £28,430,429) after depreciation. The funds held in investments were £14,138,220 (2012: £10,965,612).

In current assets, loans to Joint Branch Boards have decreased to £89,985 compared to £112,977 last year. No new loans were granted in the year period.

The deposit held by the Stockbroker has increased due to recent disposals and is awaiting reinvestment.

Included in the Federation's liabilities is an amount of £11,512,656 (2012: £6,952,769) being a provision for the liabilities in respect of member's legal cases that are currently being resolved; this is further detailed in note 19 to the financial statements.

INCOME

Subscription income has reduced due to the substantial reduction in numbers. Investment income from securities amounted to £379,546 (2012: £290,328), deposit and other interest amounted to £116,752 (2012: £105,180), which includes income from Government securities and bank deposits.

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EXPENDITURE

This year includes a large increase of member's legal fees due to the re-opening of historic cases. Additionally a further provision of £2,016,020 was made as a result of the actuarial loss in respect of pension scheme as detailed out in Note 19.

THE FUTURE

With the Winsor II recommendations, the Hutton Report, together with the Silk Commission and of course the anticipated increase in the Federation expenditure next year, the continuing reduction in membership with ordinary Federation ranks, I am concerned for the future. I will continue to monitor and control the Federation's expenditure to my best endeavour. However with the publication of the Independent Review the Federation has the opportunity to go forward and modernise its financial future for the benefits of the members as a whole.

CONCLUSION

May I express my thanks to George Gallimore, the Deputy Treasurer, for his support during the year, as well as all our staff in the Finance and Treasury Departments, without whom I would find it very difficult to perform my function as Treasurer. They all deal with an enormous workload in a very efficient manner and no Treasurer could operate without them.



Martyn Mordecai

Treasurer

Date: 28th March 2014

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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 2013, which comprise the Income and Expenditure Account, the Balance Sheet, Cash flow Statement and the related notes. The financial statements have been prepared under the requirements of the Police Federation Regulations and Fund Rules.

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 members and auditors

As explained more fully in the Statement of Management Committee's Responsibilities set out in the notes to the financial statements the management committee are responsible for the preparation of the financial statements and for being satisfied that they fairly reflect the state of the Fund's affairs as at 31st December 2013 and of its results for the year then ended.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the management committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Treasurer's Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- fairly reflect the state of the Fund's affairs as at 31st December 2013 and of its results for the year then ended; and
- have been properly prepared in accordance with the measurement principles of United Kingdom Generally Accepted Accounting Principles; and
- have been prepared in accordance with the Police Federation Regulations and Fund Rules; and
- the information provided in the Treasurer's Annual Report is consistent with the financial statements.

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


Date: 28th March 2014

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BALANCE SHEET AS AT 31st DECEMBER 2013

	Note	As at 31st December 2013 £	As at 31st December 2012 £
FIXED ASSETS	3	28,220,662	28,430,429
INVESTMENTS	3	14,138,220	10,965,612
		<u>42,358,882</u>	<u>39,396,041</u>
CURRENT ASSETS			
Loans	4	89,985	112,977
Stocks		50,590	55,134
Amounts due from Central Committees		77,732	325,506
Debtors and prepaid expenses		1,505,678	1,073,337
Deposits with stockbrokers		511,347	394,185
Cash at bank and in hand		5,213,126	6,861,325
		<u>7,448,458</u>	<u>8,822,464</u>
LESS			
CURRENT LIABILITIES: falling due within one year			
Creditors and accrued expenses	5	(4,484,578)	(4,750,877)
NET CURRENT ASSETS		<u>2,963,880</u>	<u>4,071,587</u>
LESS			
LIABILITIES: falling due after more than one year			
Creditors	6	-	(2,786,364)
PROVISIONS FOR LIABILITIES	19	(11,512,656)	(6,952,769)
NET ASSETS		<u><u>33,810,106</u></u>	<u><u>33,728,495</u></u>
REPRESENTED BY			
Accumulated fund	17	<u><u>33,810,106</u></u>	<u><u>33,728,495</u></u>

The financial statements were approved by the Fund's Committee on 28th March 2014 and were signed on its behalf by:


 Steve Williams Chairman


 Martyn Mordecai Treasurer

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INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2013

	Note	2013 £	2012 £
INCOME			
Amounts receivable from Central Committees:			
Constables		16,329,626	16,815,231
Sergeants		3,280,019	3,461,746
Inspectors		1,188,068	1,257,328
		20,797,713	21,534,305
EXPENDITURE			
Members legal fees	9	11,506,619	7,961,268
Federation expenditure	10	7,658,993	8,597,001
Federation House income	16	(49,235)	(13,187)
		19,116,377	16,545,082
SURPLUS OF SUBSCRIPTION INCOME OVER EXPENDITURE		1,681,336	4,989,223
Donations received	8	105	(21,600)
INCOME FROM INVESTMENTS			
Securities		379,546	290,328
Deposit and other interest		116,752	105,180
		496,298	395,508
Commission received		1,238	3,782
Other income		40,887	82,320
		2,219,864	5,449,233
SURPLUS FOR THE YEAR BEFORE GAINS/(LOSSES)			
GAINS/(LOSSES) FOR THE YEAR BEFORE TAXATION			
Profit/(Loss) on disposal of securities		164,926	(17,029)
Profit/(Loss) on disposal of fixed assets		312	(953)
		2,385,102	5,431,251
SURPLUS FOR THE YEAR BEFORE TAXATION & EXCEPTIONAL ITEMS			
EXCEPTIONAL ITEMS TAXATION	20	(287,471)	(291,018)
		2,097,631	5,140,233
SURPLUS FOR THE YEAR			
STATEMENT OF RECOGNISED GAINS & LOSSES			
Actuarial loss in respect of pension scheme	19	(2,016,020)	(1,498,980)
RETAINED SURPLUS FOR THE YEAR	17	81,611	3,641,253

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31st DECEMBER 2013

	Note	2013 £	2012 £
Net cash inflow from operating activities	13	4,327,019	8,300,958
Returns on investments and servicing of finance			
Income from securities		379,546	290,328
Interest received		116,752	105,180
Net inflow from returns of investments and servicing of finance		496,298	395,508
Investing activities			
Purchase of tangible fixed assets		(571,050)	(590,856)
Purchase of securities		(4,037,101)	(3,666,124)
Accumulation investment		(7,691)	-
Sale of tangible fixed assets		842	750
Sale of securities		1,037,330	820,547
Net (outflow) from investing activities		(3,577,670)	(3,435,683)
Net cash inflow before financing		1,245,647	5,260,783
Financing			
Repayment of loans granted		22,992	21,838
Long term loan/mortgage repayments		(2,799,676)	(4,709,591)
(Decrease)/increase in net cash and cash equivalents	15	(1,531,037)	573,030

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

1. ACCOUNTING POLICIES

Basis of preparation of the financial statements

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. Depreciation has been calculated at rates required to write off the relevant assets over their anticipated useful lives. It is the Federation's policy to provide depreciation on assets when disposed of in the year of disposal so as to recognise the consumption of the fixed asset up until the date sold. The applicable annual rates are:

Plant & equipment	15 years straight line basis
Computer & office equipment	3 years straight line basis
Furniture, fittings & soft furnishings	8 years straight line basis
Motor vehicles	25% reducing balance basis
Leasehold premises	Term of lease
Freehold land & buildings	Not depreciated

No depreciation has been charged on freehold land and buildings, 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 their 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 material timing differences that have originated but not reversed at the balance sheet date.

Income and expenditure account

Income is derived from subscriptions collected from the Funds members. Expenditure is shown inclusive of irrecoverable Value Added Tax, where applicable, and is reported as part of the expenditure to which it relates. Other income sources include donations and investment income.

Investments

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

Provisions

A provision is recognised in the balance sheet when the Fund has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Pensions

The Fund operates both a benefit scheme and a defined contribution pension scheme. The assets of the schemes are held separately from those of the Fund in independently administered funds. The pension charges represent amounts payable by the Fund in respect of the year. Any unpaid contributions are included in creditors.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

2. STATEMENT OF COMMITTEE'S RESPONSIBILITIES

Regulation 18(2) of the Police Federation Regulations requires the Police Federation Joint Fund, in relation to Federation funds held by it to keep financial statements showing all monies received or paid out and to cause the financial statements for each year to be audited by an independent auditor. In causing the financial statements to be prepared, the Management 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 financial statements are prepared on the going concern basis unless it is appropriate to presume otherwise.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

3. FIXED ASSETS

	Freehold land & buildings	Plant & equipment	Furniture, fittings & soft furnishings	Leasehold premises	Computer & office equipment	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost							
As at							
1st January 2013	23,594,839	2,980,026	1,445,001	1,659,687	1,719,018	32,032	31,430,603
Additions	9,600	22,896	9,049	-	529,505	-	571,050
Disposals	-	-	-	-	(660,704)	-	(660,704)
As at 31st December 2013	23,604,439	3,002,922	1,454,050	1,659,687	1,587,819	32,032	31,340,949
Depreciation							
As at							
1st January 2013	-	915,013	835,466	86,638	1,143,781	19,276	3,000,174
Charge	-	199,048	181,466	14,083	382,739	2,950	780,286
Disposals	-	-	-	-	(660,173)	-	(660,173)
As at 31st December 2013	-	1,114,061	1,016,932	100,721	866,347	22,226	3,120,287
Net Book Value							
As at 31st December 2013	23,604,439	1,888,861	437,118	1,558,966	721,472	9,806	28,220,662
As at 31st December 2012	23,594,839	2,065,013	609,535	1,573,049	575,237	12,756	28,430,429

Included within freehold land and buildings is the cost of land at £5,060,219.

Six leasehold premises were acquired in August 2006 with leases of 125 years.

INVESTMENTS

The cost of investments as at 31st December 2013 was £14,138,220 (2012: £10,965,612) with a market value of £17,386,389 (2012: £12,688,192). A summary of the investment holdings are shown below:

	Cost 2013 £	Market Value 2013 £
Fixed interest funds		
Fixed interest Government funds	677,066	724,711
Other fixed interest funds	1,301,695	1,358,821
Listed shares and units trusts	12,159,459	15,302,857
	14,138,220	17,386,389

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

4. LOANS

	2013 £	2012 £
Secured on one freehold Joint Branch Board property	89,985	112,977

Due within one year amounted to £20,469 (2012: £22,001) and due after more than one year were £69,516 (2012: £90,976).

5. CREDITORS: falling due within one year

	2013 £	2012 £
Trade creditors	1,511,732	982,946
Other creditors and accruals	2,972,846	3,767,931
	<u>4,484,578</u>	<u>4,750,877</u>

6. CREDITORS: falling due after more than one year

	2013 £	2012 £
Pension Deficit	-	88,460
Mortgage	-	2,697,904
	<u>-</u>	<u>2,786,364</u>

During 2010 a re-costing exercise was undertaken by the actuaries, which concluded a deficit on the pension fund. The advice given was that £36,000 should continue to be paid monthly. During the year £371,520 has been paid. £88,640 is shown within creditors falling due in one year and £Nil in creditors falling due after more than one year. The scheme has been closed and a Stakeholder Pension established in place of the old scheme.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

7. CONTRIBUTION TOWARDS EXPENSES

	2013 £	2012 £
Contributions were received from the Home Office (Grant-in-Aid) towards the following expenses:		
<u>Grant-in-Aid:</u>		
PFEW Elected Officers salaries	57,355	59,129
Meetings	84,985	87,613
<u>Police Negotiating Board:</u>		
Meetings	95,352	98,301
Administration	27,210	28,052

8. DONATIONS RECEIVED

	2013 £	2012 £
Thames Valley Police Federation	95	-
Mr and Mrs Grix	10	-
Dyfed Powys Police Federation	-	(9,000)
Gwent Police Federation	-	(12,600)
	<u>105</u>	<u>(21,600)</u>

9. MEMBERS LEGAL FEES

	2013 £	2012 £
CICA claims	340,444	146,073
Civil claims	2,655,647	1,725,023
Criminal cases	1,335,539	1,294,624
Defamation	477,916	263,512
Discipline	2,174,233	1,700,254
Employment tribunals	2,089,694	2,138,473
Professional indemnity	636	25,523
Inquests	1,328,100	108,708
Judicial reviews	90,007	298,087
General legal fees	1,360,110	652,476
CCFA provision	(345,707)	(391,485)
	<u>11,506,619</u>	<u>7,961,268</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

10. FEDERATION EXPENDITURE

	Note	2013 £	2012 £
Audit fees		26,000	26,000
Bank charges		3,609	2,883
Clerical assistance	11	2,041,021	2,006,853
Computer costs		1,250,850	633,507
Death benefits		206,460	188,220
Depreciation:			
Computer & office equipment	3	382,739	358,948
Furniture, fittings & soft furnishings	3	181,466	180,568
Motor vehicles	3	2,950	1,670
Plant & equipment	3	199,048	197,120
Elected officers enhancements	21	105,692	122,467
Federation training		424,730	439,297
Hospitality		36,301	36,282
Insurances		98,024	91,914
Interest payable		14,830	103,160
Leasehold amortisation	3	14,083	14,101
Meetings	12	832,479	958,588
Motor expenses		2,100	3,153
National Police Memorial upkeep		27,856	28,779
Pay campaign		-	927,155
Police magazine		105,137	152,990
Premises expenses		893,491	879,192
Presentations and donations		71,338	54,285
Printing costs		56,284	77,097
Professional fees		503,149	938,523
Publicity and promotion		138,997	127,394
Research and publications		20,592	13,886
Stationery and postage		19,767	32,969
		<u>7,658,993</u>	<u>8,597,001</u>

11. CLERICAL ASSISTANCE

	2013 £	2012 £
Civilian assistance and clerical staff	1,755,075	1,738,683
Federation contributions for:		
Social security	183,262	170,966
Superannuation – stakeholder scheme	102,684	97,204
	<u>2,041,021</u>	<u>2,006,853</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

12. MEETINGS (Statutory and Non Statutory)

	2013 £	2012 £
Annual conference	378,794	462,862
Joint Central Committee - Statutory	44,262	60,017
Police Negotiating Board	10,851	5,319
Non Statutory	398,572	430,390
	<u>832,479</u>	<u>958,588</u>

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

	2013 £	2012 £
Surplus for the year after taxation	81,611	3,641,253
Income from investments	(496,298)	(395,508)
Depreciation charges	780,286	752,407
Depreciation on disposals	(531)	(1,703)
Disposals of securities after provisions	(164,926)	17,029
Decrease in stocks	4,544	685
(Increase)/Decrease in debtors and prepaid expenses	(432,341)	829,161
Decrease in amounts due from Central Committees	247,774	1,378,870
Increase in creditors	4,306,900	2,078,764
	<u>4,327,019</u>	<u>8,300,958</u>

14. RECONCILIATION OF NET CASHFLOW TO MOVEMENTS IN NET CASH AND CASH EQUIVALENTS (Note 15)

	2013 £
Decrease in cash for the year	(1,531,037)
Net balance as at 1st January 2013	7,255,510
	<u>5,724,473</u>

15. ANALYSIS OF CHANGES IN NET CASH AND CASH EQUIVALENTS

	1st January 2013 £	Change £	31st December 2013 £
Deposit with stockbrokers	394,185	117,162	511,347
Cash at bank and in hand	6,861,325	(1,648,199)	5,213,126
	<u>7,255,510</u>	<u>(1,531,037)</u>	<u>5,724,473</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

16. FEDERATION HOUSE CHARGES

	2013 £	2012 £
Turnover	765,632	721,280
Value of services provided to the Federation	420,139	435,098
Cost of sales	(304,174)	(286,106)
Gross profit	881,597	870,272
Administration expenses		
Advertising and marketing	312	-
Audit fee	5,000	5,000
Bank and credit card charges	16,994	13,809
Agency Staff	34,378	47,091
Cleaning	1,053	9,178
Equipment hire	1,623	2,011
Laundry	40,402	42,047
Pension	16,672	9,198
Printing, postage and stationery	213	1,615
Professional fees	545	545
Repairs and maintenance to plant & equipment	7,719	52,432
Salaries	689,688	658,554
Staff costs	17,669	14,704
Security	81	882
Travel and subsistence	13	19
	832,362	857,085
Profit for the year	49,235	13,187

17. RESERVES

	2013 £	2012 £
Balance as at 1st January 2013	33,728,495	30,087,242
Surplus for the year	81,611	3,641,253
Balance as at 31st December 2013	33,810,106	33,728,495

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

18. CONTINGENT ASSETS & LIABILITIES

The Federation has formally lodged a complaint against its financier for the mis-selling of LIBOR linked derivative in light of the allegation of LIBOR rate fixing. The Federation believe this resulted in an over inflated break clause fee which was paid by the Federation. The complaint has been acknowledged and is currently being processed by the financier's complaint department.

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.

19. PROVISIONS FOR LIABILITIES

The Federation makes full provisions for liabilities for substantial legal cases against its members. Other provisions mainly comprise of costs in relation to members interest. The total provisions for liabilities for the year were £11,512,656 (2012: £6,952,769), which are detailed below:

Legal fee provisions of £5,266,000 (2012: £2,600,000) are included in the financial statements, the breakdown of the amount for each case are as follows:(Case details are not disclosed due to confidentiality)

Case 1: Provision of £240,000 (2012: £nil)	Case 8: Provision of £600,000 (2012: £250,000)
Case 2: Provision of £960,000 (2012: £1,000,000)	Case 9: Provision of £1,104,000 (2012: £90,000)
Case 3: Provision of £140,000 (2012: £350,000)	Case 10: Provision of £90,000 (2012: £50,000)
Case 4: Provision of £700,000 (2012: £450,000)	Case 11: Provision of £60,000 (2012: £60,000)
Case 5: Provision of £72,000 (2012: £nil)	Case 12: Provision of £120,000 (2012: £nil)
Case 6: Provision of £650,000 (2012: £150,000)	Case 13: Provision of £330,000 (2012:£nil)
Case 7: Provision of £200,000 (2012: £200,000)	

Other provisions include the HMRC Enquiry of £2,357,335 (2012: £2,073,469), Pension deficit actuarial loss £3,515,000 (2012: £1,498,980) and other member benefit related expenses £374,321 (2012: £780,320).

The actuary completed the scheme funding report for the Police Federation of England & Wales Retirement Benefit Scheme on 2nd August 2013. A further technical provision of £2,016,020 (2012: £1,498,980) has been provided for the current pension deficit and the total actuarial loss in respect of pension scheme stands at £3,515,000. The methods used to calculate the provision by the actuary were on a 'Projected Unit' method in this funding assessment. The conversion principles of data and demographic were used as assumptions and the financial assumption used were investment return, retail price inflation, pension increases and deferred pension revaluation.

20. EXCEPTIONAL ITEMS

An inquiry is in progress with the HMRC and the Federation at present is disputing all claims made. However it is felt prudent to make a further provision for the current year of £287,471 (2012: £291,018).

Treasurer's Annual Report and Accounts

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2013

21. ELECTED OFFICER ENHANCEMENTS

By virtue of Regulation 15(b) of the Police Federation Regulation 1969, and as agreed by the 1990 Conference Study Group the Joint Officers are paid an enhanced salary and allowances for additional responsibility, additional hours worked and the time spent away from home. For Chairman and Treasurer the enhanced salary and allowances are met by the Common Police Services Fund and the Police Federation in the proportion 85:15 respectively, for General Secretary total salary and all allowances paid are met by Common Police Services Fund and the Police Federation in the proportion of 85:15 respectively.

Details are as follows:

		2013	2012
		£	£
Chairman	Enhancement	14,939	14,935
General Secretary	Enhancement	20,568	21,665
Treasurer	Enhancement	22,763	22,554
Vice Chairman	Enhancement	9,449	26,557
Deputy General Secretary	Enhancement	27,060	26,971
Deputy Treasurer	Enhancement	10,913	9,785
		<hr/>	<hr/>
		105,692	122,467
		<hr/> <hr/>	<hr/> <hr/>

Treasurer's Annual Report and Accounts

SUMMARY OF THE SECURITIES HELD BY THE TRUSTEES OF THE POLICE FEDERATION FOR THE YEAR ENDED 31st DECEMBER 2013

TRUSTEES

The Trustees for the year ended 31st December 2013 were:

Constable J. Nott
Sergeant M. Nurthen
Inspector J. Ainsworth

INVESTMENTS

The investments are stated at cost unless their market value is significantly less than cost. The cost of investments amounted to £14,138,220 (2012: £10,965,612).

The Federation realised a capital gain of £164,926 (2012: capital loss £17,029) on the disposal of investments.

	Cost less provision		Market value	
	2013	2012	2013	2012
	£	£	£	£
Fixed interest funds				
Fixed interest Government funds	677,066	640,443	724,711	767,545
Other fixed interest funds	1,301,695	893,338	1,358,821	1,016,355
Listed shares and unit trusts	12,159,459	9,431,831	15,302,857	10,904,292
	<u>14,138,220</u>	<u>10,965,612</u>	<u>17,386,389</u>	<u>12,688,192</u>