

POLICE FEDERATION

Police Act 1964

The Police Federation Regulations 1969, Part III (as amended)

BRANCH COUNCIL

FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST DECEMBER 2016**

BRANCH COUNCIL

YEAR ENDED 31ST DECEMBER 2016

CHAIRMAN	Mr Martin Plummer Cumbria Police Federation 1 The Green Carleton Hall Penrith CA10 2BA
SECRETARY	Mr Ed Armstrong Cumbria Police Federation 1 The Green Carleton Hall Penrith CA10 2BA
TREASURER	Mr Paul Senior Cumbria Police Federation 1 The Green Carleton Hall Penrith CA10 2BA
AUDITORS	Ingall (Kendal) Ltd Chartered Accountants and Statutory Auditors Libra House Murley Moss Business Village Oxenholme Road Kendal LA9 7RL
TRUSTEES	Ms Janice Hedworth Cumbria Police Federation 1 The Green Carleton Hall Penrith CA10 2BA Mr Nils Robinson Cumbria Police Federation 1 The Green Carleton Hall Penrith CA10 2BA Ms Suzanne Scott Cumbria Police Federation 1 The Green Carleton Hall Penrith CA10 2BA

SHOW NAMES AND ADDRESSES OF ABOVE OFFICIALS AND QUALIFICATIONS OF AUDITORS

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF BRANCH COUNCIL

We have audited the Financial Statements of the Branch Council for the year ended 31st December 2016, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, and Notes to the Financial Statements. The Financial Statements have been prepared under the requirements of the Police Federation Regulations and Fund Rules and adopting the measurement principles of FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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 2016 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.

Opinion on Financial Statements

In our opinion the Financial Statements:

- fairly reflect the state of the Fund's affairs as at 31st December 2016 and of its results for the year then ended;
- have been properly prepared in accordance with the measurement principles of United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Police Federation Regulations and Fund Rules.

Other Matters

The Financial Statements for the year ended 31st December 2016 includes all funds raised for the purpose of the Joint Branch Board Fund in accordance with Regulation 2 Police Federation (Amendment) Regulations 2015.

Signed: Ingalls (Kendal) Ltd

Ingalls (Kendal) Limited
Chartered Accountants & Statutory Auditors
Libra House
Murley Moss Business Village
Oxenholme Road

Dated: 7th February 2017

Kendal LA9 7RL

BRANCH COUNCIL

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31ST DECEMBER 2016

	2016 £	2015 £
INCOME		
Weekly Subscriptions		
Constables	215,019	215,568
Sergeants	39,945	42,621
Inspectors	14,135	18,084
	<hr/> 269,099	<hr/> 276,273
Less: Payable to Joint Central Committee 70%		
Constables	150,513	151,597
Sergeants	27,961	29,834
Inspectors	9,894	10,559
	<hr/> 188,368	<hr/> 191,990
TOTAL INCOME	80,731	81,283
Less: ADMINISTRATIVE EXPENSES (Note 1)	77,639	78,105
	<hr/> 3,092	<hr/> 3,178
SURPLUS OF SUBSCRIPTION INCOME OVER EXPENDITURE		
Add: Other Income - (Note 1.1)	6,000	2,620
To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015		
	9,092	5,798
SURPLUS FOR THE YEAR BEFORE GAINS / (LOSSES)		
Gains / (Losses) - (Note 1.2)	-	-
Value Adjustments on Investments	-	-
Value Adjustments on Investment Properties	-	-
Deferred Tax on Value Adjustments	-	-
	<hr/> 9,092	<hr/> 5,798
SURPLUS FOR THE YEAR	9,092	5,798
RETAINED EARNINGS BROUGHT FORWARD	48,970	43,172
RETAINED EARNINGS CARRIED FORWARD	<hr/> <hr/> 58,062	<hr/> <hr/> 48,970

BRANCH COUNCIL

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016

	2016 Cost £	Accumulated Depreciation/ Revaluation/ Impairment £	2016 Net Book Value £	2015 Net Book Value £
TANGIBLE FIXED ASSETS				
Furniture and Fittings	18,734	17,725	1,009	1,187
Computer Equipment	43,247	43,246	1	1
Others - (Specify)	-	-	-	-
	<u>61,981</u>	<u>60,971</u>	<u>1,010</u>	<u>1,188</u>
INVESTMENTS				
	2016 Cost £	2015 Cost £	2016 Market Value £	2015 Market Value £
Investments	-	-	-	-
Investment Properties	-	-	-	-
Others - (Specify)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CURRENT ASSETS				
Contributions due from Joint Central Committee (Note 4)				
Subscriptions Due				
Cash at Bank and in Hand			40,224	28,987
Others - (Specify)				
Debtors			18,229	21,563
			<u>58,453</u>	<u>50,550</u>
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)				
Corporation Tax			-	458
Deferred Tax				
Sundry Accrued Expenses			1,401	2,310
			<u>1,401</u>	<u>2,768</u>
NET CURRENT ASSETS / (LIABILITIES)			<u>57,052</u>	<u>47,782</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			58,062	48,970
CREDITORS: Amounts Falling Due After More Than One Year (Specify)			-	-
NET ASSETS			<u>58,062</u>	<u>48,970</u>
REPRESENTED BY				
Retained Earnings			58,062	48,970
Other Reserves - (Specify)				
			<u>58,062</u>	<u>48,970</u>

We certify that we have fully complied with the Regulation 2 Police Federation (Amendment) Regulations 2015 and disclosed in the F45 all funds of which we are a beneficiary. We understand that failure to comply with this Regulation could be deemed a criminal and/or Police Disciplinary matter.

These Financial Statements have been prepared using the measurement principles and provisions of FRS 102.

Signed CHAIRMAN

Signed TREASURER

Date Financial Statements approved: 7th February 2017

BRANCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

	2016 £	2015 £
1. ADMINISTRATIVE EXPENSES		
Accommodation	7,234	11,060
Additional Responsibility Payments (Honoraria)	9,944	10,205
Annual Conference	1,754	4,454
Audit and Accountancy Charges	1,539	3,084
Bank Charges	143	166
Clerical Assistance and Social Security Costs	18,522	17,890
Communication	2,230	2,128
Computer Consumables	1,739	5,444
Corporation Tax	(3,381)	(7,046)
Depreciation	178	209
Donations	1,921	1,633
Hospitality	3,630	2,596
Incidental Overnight Expenses	390	135
Insurance	2,039	1,013
Meeting Expenses	856	3,096
Official Publications	1,080	-
Postage, Printing and Stationery	1,380	2,411
Repairs and Maintenance	4,042	-
Subsistence (Meal Expenses)	3,939	2,215
Sundry Expenses	297	618
Travel	5,810	9,359
Other Expenses - (<i>Specify</i>)		
Bravery Award	1,171	1,761
Legal and professional	2,936	1,651
Presentation and gifts	739	414
Light and heat	2,984	180
Training	1,690	3,429
Cleaning	1,688	-
Rates	1,145	-
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>77,639</u>	<u>78,105</u>

	2016 £	2015 £
1.1 OTHER INCOME		
Bank Interest (Gross)	-	1,910
PCC contribution to running costs	6,000	-
Donations Received	-	330
Profit / (loss) from Mailshots and Commissions	-	380
Regulation 2c Income	-	-
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>6,000</u>	<u>2,620</u>

	2016 £	2015 £
1.2 GAINS / (LOSSES)		
Gain / (Loss) on Investments		
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>-</u>	<u>-</u>

**BRANCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

2. ACCOUNTING POLICIES

A. Basis of Preparing the Financial Statements

The Financial Statements have been prepared under the requirements of the Police Federation Regulations and Fund Rules and adopting the measurement principles of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

This is the first year in which the Financial Statements have been prepared in accordance with FRS 102. Refer to note 8 for an explanation of the transition.

The date of the transition is 1st January 2015. The transition to FRS 102 has resulted in a small number of changes in the accounting policies to those used previously.

B. Accounting Convention

The Financial Statements have been prepared under the historic cost convention except investments and investment properties which are stated at market value.

C. Income

Income is primarily derived from subscriptions collected from the Funds members.

Other income sources may include rental / investment income and income generated from providing member services.

D. Expenditure

Expenditure is shown inclusive of Value Added Tax.

E. Depreciation

Depreciation has been calculated at rates required to write off the relevant assets over their anticipated lives.

The applicable annual rates are:

Furniture and Fittings	— 15% reducing balance basis
Computer Equipment	— 25% straight line basis
Other Assets	— 25% reducing balance basis
Property - (<i>Specify</i>)	

F. Taxation

Provision is made for Corporation Tax in respect of the Fund's liability to taxation on investment income, capital gains and income derived from third party transactions.

G. Investments (if applicable)

Investments and investment properties are shown in the Financial Statements at market value.

H. Deferred Taxation (if applicable)

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

I. Other Policies - (*Specify*)

BRANCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

3. STATEMENT OF MANAGEMENT COMMITTEE'S RESPONSIBILITIES

Regulation 18(2) of The Police Federation Regulations (as amended) 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 Financial Statements for each year to be audited by an independent auditor. In causing the Financial Statements to be prepared, the Committee is required to:

- Select suitable accounting policies and 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 Committee is responsible for keeping adequate accounting records and also is responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

4. CONTRIBUTIONS DUE FROM / (TO) JOINT CENTRAL COMMITTEE

	2016 £	2015 £
Constables	-	-
Sergeants	-	-
Inspectors	-	-
	<u>-</u>	<u>-</u>

5. CONTRIBUTING AND NON CONTRIBUTING MEMBERS AT 31ST DECEMBER 2016

	2016 No. of Contributing Members	2015 No. of Contributing Members	2016 No. of Non Contributing Members	2015 No. of Non Contributing Members	2016 Others*	2015 Others*
Cadets	-	-	-	-	-	-
Constables	919	894	7	5	17	12
Sergeants	149	163	-	-	-	-
Inspectors/Chief						
Inspectors	51	59	-	-	-	-
	<u>1,119</u>	<u>1,116</u>	<u>7</u>	<u>5</u>	<u>17</u>	<u>12</u>

* This column refers to those members who are non contributors by virtue of receiving no pay, being on unpaid maternity leave or serving officers on career breaks. (JBB Circular 53/96 refers)

6. INVESTMENTS (if applicable)

	2016 Market Value £	2015 Market Value £
Equities	-	-
Fixed Interest Funds	-	-
Unit Trusts	-	-
Others - (Specify)	-	-
	<u>-</u>	<u>-</u>

7. INVESTMENT PROPERTIES (if applicable)

	2016 Market Value £	2015 Market Value £
Investment Properties	-	-
	<u>-</u>	<u>-</u>

BRANCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

8. TRANSITION TO FRS 102

This is the first year that the entity has presented Financial Statements complying with the measurement principles of FRS 102. The entity has restated the comparative prior year amounts (where applicable) in accordance with FRS 102 requirements.

CHANGES UNDER FRS 102

1. Investments and investment properties are now measured at market value rather than at historic cost.
2. Deferred tax on change in measurement of investments from historic cost to market value.

Restated Statement of Financial Position

	Explanation	£
Original Retained Earnings at 31 December 2015		
Restatement of Investments and Investment Properties	1	
Deferred Tax on Restatement of Investments and Investment Properties	2	
Restated Retained Earnings at 31 December 2015		-

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Surplus / (Deficit) for the Year Ended 31 December 2015		
Restatement of Investments and Investment Properties	1	
Deferred Tax on Restatement of Investments and Investment Properties	2	
Restated Surplus / (Deficit) for the Year Ended 31 December 2015		-