

POLICE FEDERATION

Police Act 1964
The Police Federation Regulations 1969, Part III (as amended)

DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016

DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND

YEAR ENDED 31ST DECEMBER 2016

CHAIRMAN	<p>N. Rabbits Police Federation Office, 2 River Court, Pynes Hill, Exeter, Devon, EX2 5JL</p>
SECRETARY	<p>D. James Police Federation Office, 2 River Court, Pynes Hill, Exeter, Devon, EX2 5JL</p>
TREASURER	<p>N. Jones Police Federation Office, 2 River Court, Pynes Hill, Exeter, Devon, EX2 5JL</p>
AUDITORS	<p>George Hay & Company Chartered Accountants & Statutory Auditors 83 Cambridge Street, Pimlico, London, SW1V 4PS</p>
TRUSTEES	<p>I. Milligan Police Federation Office, 2 River Court, Pynes Hill, Exeter, Devon, EX2 5JL</p> <p>G. Barnes Police Federation Office, 2 River Court, Pynes Hill, Exeter, Devon, EX2 5JL</p> <p>A. Brodest (resigned 15th September 2016) J. Purkiss (appointed 4th November 2016) Police Federation Office, 2 River Court, Pynes Hill, Exeter, Devon, EX2 5JL</p>

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND**

We have audited the Financial Statements of the Devon & Cornwall Constabulary Joint Branch Board Fund 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:



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

Dated: 26/01/2017

DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND

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

	2016 £	2015 £
INCOME		
Weekly Subscriptions		
Constables	545,790	566,967
Sergeants	131,099	126,675
Inspectors	47,131	44,930
	<hr/>	<hr/>
	724,020	738,572
 Less: Payable to Joint Central Committee 70%		
Constables	382,054	396,877
Sergeants	91,769	88,672
Inspectors	32,992	31,451
	<hr/>	<hr/>
	506,815	517,000
 TOTAL INCOME	 217,205	 221,572
 Less: ADMINISTRATIVE EXPENSES (Note 1)	 288,133	 353,555
(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE	<hr/> (70,928)	<hr/> (131,983)
 Add: Other Income - (Note 1.1) To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	 89,812	 88,592
SURPLUS / (DEFICIT) FOR THE YEAR BEFORE GAINS / (LOSSES)	<hr/> 18,884	<hr/> (43,391)
 Gains / (Losses) - (Note 1.2)	 -	 -
 Value Adjustments on Investments	 5,812	 2,495
 Deferred Tax on Value Adjustments	 (1,162)	 (499)
	<hr/>	<hr/>
SURPLUS / (DEFICIT) FOR THE YEAR	23,534	(41,395)
 RETAINED EARNINGS BROUGHT FORWARD	 803,701	 845,096
 RETAINED EARNINGS CARRIED FORWARD	<hr/> <u>827,235</u>	<hr/> <u>803,701</u>

DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016

	2016 Cost	Accumulated Depreciation/ Revaluation/ Impairment	2016 Net Book Value	2015 Net Book Value
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
TANGIBLE FIXED ASSETS				
Furniture and Fittings	51,508	42,880	8,628	8,676
Computer Equipment	113,734	108,241	5,493	11,444
Leasehold Property	385,173	42,062	343,111	346,230
Electronic Equipment	13,276	12,225	1,051	1,401
	<u>563,691</u>	<u>205,408</u>	<u>358,283</u>	<u>367,751</u>
	2016 Cost	2015 Cost	2016 Market Value	2015 Market Value
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
INVESTMENTS				
Investments	50,400	50,400	82,798	76,986
Investment Properties	165,000	-	165,000	-
	<u>215,400</u>	<u>50,400</u>	<u>247,798</u>	<u>76,986</u>
CURRENT ASSETS				
Contributions due from Joint Central Committee (Note 4)			-	28,960
Subscriptions Due			-	-
Cash at Bank and in Hand			452,056	347,214
Debtors			29,541	21,209
			<u>481,597</u>	<u>397,383</u>
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)			120,380	-
Corporation Tax			3,473	3,594
Deferred Tax			6,480	5,317
Sundry Accrued Expenses			130,110	29,508
			<u>260,443</u>	<u>38,419</u>
NET CURRENT ASSETS / (LIABILITIES)			<u>221,154</u>	<u>358,964</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			827,235	803,701
CREDITORS: Amounts Falling Due After More Than One Year			-	-
NET ASSETS			<u>827,235</u>	<u>803,701</u>
REPRESENTED BY				
Retained Earnings			827,235	803,701
			<u>827,235</u>	<u>803,701</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: 26/01/2017

DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

	2016 £	2015 £
1. ADMINISTRATIVE EXPENSES		
Additional Responsibility Payments (Honoraria)	27,242	25,668
Annual Conference	2,773	3,276
Audit and Accountancy Charges	4,484	4,759
Bank Charges	2,029	1,837
Clerical Assistance and Social Security Costs	43,282	36,488
Communication	24,211	22,962
Computer Consumables	15,572	12,531
Corporation Tax	3,468	3,028
Depreciation	10,942	11,068
Donations	2,890	5,250
Incidental Overnight Expenses	1,552	2,771
Insurance	567	528
Meeting Expenses	3,101	304
Official Publications	3,600	39,202
Postage, Printing and Stationery	8,252	6,115
Repairs and Maintenance	4,485	6,969
Sundry Expenses	1,150	263
Travel and Subsistence	75,992	97,648
Other Expenses -		
Legal & Professional	16,875	58,050
Rates, Light & Heat	9,960	6,708
Training and Seminars	25,203	6,521
Presentations and Gifts	503	1,609
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u><u>288,133</u></u>	<u><u>353,555</u></u>
	2016 £	2015 £
1.1 OTHER INCOME		
Bank Interest (Gross)	144	124
Dividends Received	26	26
Profit / (loss) from Mailshots and Commissions	1,176	475
Reimbursement of administration expenses	88,466	87,967
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u><u>89,812</u></u>	<u><u>88,592</u></u>
	2016 £	2015 £
1.2 GAINS / (LOSSES)		
Gain / (Loss) on Investments	-	-
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u><u>-</u></u>	<u><u>-</u></u>

**DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND
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 Section 1A, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) applicable to small entities.

This is the first year in which the Financial Statements have been prepared in accordance with FRS 102 Section 1A - small entities. Refer to note 8 for an explanation of the transition.

The date of the transition is 1st January 2015. The transition to FRS 102 Section 1A 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.

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	— over the term of the lease

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

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

H. Deferred Taxation

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

Pensions

Pension contributions are charged to the Statement of Income and Retained Earnings as incurred and included within 'Clerical Assistance and Social Security Costs'. These contributions are paid into a private money purchase scheme.

DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND
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.

4a. CONTRIBUTIONS DUE FROM / (TO) CENTRAL COMMITTEES

	2016	2015
	£	£
Constables	-	73,578
Sergeants	-	25,834
Inspectors	-	7,644
	-	107,056

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

	2016	2015
	£	£
Constables	(91,316)	(59,893)
Sergeants	(21,442)	(13,451)
Inspectors	(7,622)	(4,752)
	(120,380)	(78,096)

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

	2016	2015	2016	2015	2016	2015
	No. of Contributing		No. of Non Contributing		Others*	
	Members		Members			
Cadets	174	-	-	-	-	-
Constables	1,984	2,280	101	-	-	-
Sergeants	529	487	12	-	-	-
Inspectors/Chief Inspectors	190	171	7	-	-	-
	2,877	2,938	120	-	-	-

* 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

	2016	2015
	Market Value	Market Value
	£	£
Equities	-	-
Fixed Interest Funds	432	423
Unit Trusts	82,366	76,563
	82,798	76,986

**DEVON & CORNWALL CONSTABULARY JOINT BRANCH BOARD FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

7. INVESTMENT PROPERTIES

	2016 Market Value	2015 Market Value
	£	£
Investment Properties	165,000	-
	165,000	-

8. TRANSITION TO FRS 102 SECTION 1A - SMALL ENTITIES

This is the first year that the entity has presented Financial Statements complying with the measurement principles of FRS 102 Section 1A. The entity has restated the comparative prior year amounts (where applicable) in accordance with FRS 102 Section 1A requirements.

CHANGES UNDER FRS 102 SECTION 1A - SMALL ENTITIES

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		782,432
Restatement of Investments and Investment Properties	1	26,586
Deferred Tax on Restatement of Investments and Investment Properties	2	(5,317)
Restated Retained Earnings at 31 December 2015		803,701

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Surplus / (Deficit) for the Year Ended 31 December 2015		(43,391)
Restatement of Investments and Investment Properties	1	2,495
Deferred Tax on Restatement of Investments and Investment Properties	2	(499)
Restated Surplus / (Deficit) for the Year Ended 31 December 2015		(41,395)