

# **POLICE FEDERATION**

**Police Act 1964**

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

**HERTFORDSHIRE CONSTABULARY JOINT BRANCH BOARD FUND**

## **FINANCIAL STATEMENTS**

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

**F45**

**MM / 2016**

**HERTFORDSHIRE CONSTABULARY JOINT BRANCH BOARD FUND**

**YEAR ENDED 31ST DECEMBER 2016**

**CHAIRMAN** N Alston  
Federation Office  
Hertfordshire Police Headquarters  
Stanborough Road  
Welwyn Garden City  
Hertfordshire, AL8 6XF

**SECRETARY** V Mihailovic  
Federation Office  
Hertfordshire Police Headquarters  
Stanborough Road  
Welwyn Garden City  
Hertfordshire, AL8 6XF

**TREASURER** P Coxall  
Federation Office  
Hertfordshire Police Headquarters  
Stanborough Road  
Welwyn Garden City  
Hertfordshire, AL8 6XF

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

**TRUSTEES** G Bardell  
Federation Office  
Hertfordshire Police Headquarters  
Stanborough Road  
Welwyn Garden City  
Hertfordshire, AL8 6XF

R Woolway  
Federation Office  
Hertfordshire Police Headquarters  
Stanborough Road  
Welwyn Garden City  
Hertfordshire, AL8 6XF

G Rees  
Federation Office  
Hertfordshire Police Headquarters  
Stanborough Road  
Welwyn Garden City  
Hertfordshire, AL8 6XF

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
HERTFORDSHIRE CONSTABULARY JOINT BRANCH BOARD FUND**

We have audited the Financial Statements of the Hertfordshire 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**

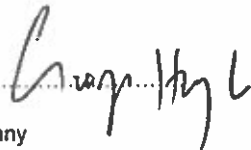
In our opinion the Financial Statements:

- 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

3/2/2017

Dated: .....

**HERTFORDSHIRE CONSTABULARY JOINT BRANCH BOARD FUND**

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

	2016 £	2015 £
<b>INCOME</b>		
Weekly Subscriptions		
Constables	355,247	361,466
Sergeants	76,282	73,285
Inspectors	32,518	33,147
	<hr/>	<hr/>
	464,047	467,898
Less: Payable to Joint Central Committee 70%	324,833	245,182
Constables	-	63,722
Sergeants	-	12,825
Inspectors	-	5,801
	<hr/>	<hr/>
	324,833	327,530
<b>TOTAL INCOME</b>	139,214	140,368
Less: ADMINISTRATIVE EXPENSES (Note 1)	173,644	178,300
	<hr/>	<hr/>
<b>(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE</b>	(34,430)	(37,932)
Add: Other Income - (Note 1.1) To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	49,822	26,482
	<hr/>	<hr/>
<b>SURPLUS / (DEFICIT) FOR THE YEAR BEFORE GAINS / (LOSSES)</b>	15,392	(11,450)
Gains - (Note 1.2)	-	55,604
Value Adjustments on Investments	24,676	-
Deferred Tax on Value Adjustments	(4,935)	-
	<hr/>	<hr/>
<b>SURPLUS FOR THE YEAR</b>	35,133	44,154
<b>RETAINED EARNINGS BROUGHT FORWARD</b>	347,294	303,140
<b>RETAINED EARNINGS CARRIED FORWARD</b>	<hr/> <hr/>	<hr/> <hr/>
	382,427	347,294

**HERTFORDSHIRE CONSTABULARY JOINT BRANCH BOARD FUND**

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016**

	<u>2016</u> <u>Cost</u> £	Accumulated Depreciation/ Revaluation/ Impairment £	<u>2016</u> <u>Net Book</u> £	<u>2015</u> <u>Net Book</u> £
<b>TANGIBLE FIXED ASSETS</b>				
Furniture and Fittings	13,254	12,192	1,062	1,250
Computer Equipment	35,446	35,446	-	582
Others - (Specify)	-	-	-	-
	<u>48,700</u>	<u>47,638</u>	<u>1,062</u>	<u>1,832</u>
	<u>2016</u> <u>Cost</u> £	<u>2015</u> <u>Cost</u> £	<u>2016</u> <u>Market</u> <u>Value</u> £	<u>2015</u> <u>Market</u> <u>Value</u> £
<b>INVESTMENTS</b>				
Investments	304,958	300,109	329,634	290,586
Others - (Specify)	-	-	-	-
	<u>304,958</u>	<u>300,109</u>	<u>329,634</u>	<u>290,586</u>
<b>CURRENT ASSETS</b>				
Subscriptions Due			38,379	38,561
Cash at Bank and in Hand			74,499	73,298
Prepayments			1,220	5,148
			<u>114,098</u>	<u>117,007</u>
<b>CURRENT LIABILITIES</b>				
Contributions due to Joint Central Committee (Note 4)			46,914	52,104
Corporation Tax			2,218	1,998
Deferred Tax			4,935	-
Sundry Accrued Expenses			8,300	8,029
			<u>62,367</u>	<u>62,131</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>			<u>51,731</u>	<u>54,876</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			382,427	347,294
<b>CREDITORS: Amounts Falling Due After More Than One Year (Specify)</b>			-	-
<b>NET ASSETS</b>			<u>382,427</u>	<u>347,294</u>
<b>REPRESENTED BY</b>				
Retained Earnings			382,427	347,294
			<u>382,427</u>	<u>347,294</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: ..... 03/02/2017 .....

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

	2016 £	2015 £
<b>1. ADMINISTRATIVE EXPENSES</b>		
Additional Responsibility Payments (Honoraria)	26,804	26,642
Annual Conference	5,220	5,974
Audit and Accountancy Charges	3,990	3,876
Bank Charges	30	36
Clerical Assistance and Social Security Costs	80,317	70,723
Communications	-	46
Computer Consumables	3,240	4,965
Corporation Tax	2,060	1,998
Depreciation	770	802
Donations - Hertfordshire Police Welfare Fund	2,000	2,000
Insurance	1,777	1,664
Meeting Expenses	6,566	6,298
Official Publications	7,336	12,812
Postage, Printing and Stationery	294	6
Repairs and Maintenance	436	242
Travelling and Subsistence	21,768	25,991
Sundry Expenses	196	1,528
<i>Other Expenses - (Specify)</i>		
Administration Charge	2,320	2,340
Administration Charge Recovered	(2,320)	(2,340)
Legal and Professional Fees	10,618	8,446
Presentations	222	2,478
Training	-	1,773
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<u><u>173,644</u></u>	<u><u>178,300</u></u>
	2016 £	2015 £
<b>1.1 OTHER INCOME</b>		
Bank Interest (Gross)	10	7
Diminution on Investments	9,523	(9,523)
Dividends Received	4,849	3,215
Profit from Mailshots and Commissions	35,440	32,783
Regulation 2c Income	-	-
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<u><u>49,822</u></u>	<u><u>26,482</u></u>
	2016 £	2015 £
<b>1.2 GAINS / (LOSSES)</b>		
Gain on Investments	-	55,604
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<u><u>-</u></u>	<u><u>55,604</u></u>

**HERTFORDSHIRE 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 7 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 - <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**

Investments 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 - *(Specify)***

**HERTFORDSHIRE 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.

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

	2016 £	2015 £
Constables	-	42,034
Sergeants	-	8,550
Inspectors	-	3,867
Joint	46,914	(2,347)
	46,914	52,104

**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	1,453	1,507	29	24	38	70
Sergeants	312	274	13	2	7	7
Inspectors/Chief	100	33	4	-	1	-
Inspectors	33	96	-	2	-	-
	1,898	1,910	46	28	46	77

\* 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	329,634	292,418
Others - (Specify)	-	-
	329,634	292,418



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

**7. 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 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.