

POLICE FEDERATION

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

JOINT BRANCH BOARD FUND

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

F45
MM / 2016

JOINT BRANCH BOARD FUND
YEAR ENDED 31ST DECEMBER 2016

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AUDITORS Graybrowne Limited
 The Counting House
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SHOW NAMES AND ADDRESSES OF ABOVE OFFICIALS AND QUALIFICATIONS OF AUDITORS

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

We have audited the Financial Statements of the 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: *Graybrowne Limited*

Graybrowne Limited
Chartered Accountants & Statutory Auditors
The Counting House
Nelson Street
Hull
HU1 1XE

Dated: *10/2/17*

JOINT BRANCH BOARD FUND
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31ST DECEMBER 2016

	2016 £	2015 £
INCOME		
Weekly Subscriptions		
Constables	293,110	298,497
Sergeants	55,646	61,040
Inspectors	27,078	29,658
	<u>375,834</u>	<u>389,195</u>
Less: Payable to Joint Central Committee 70%		
Constables	205,177	208,948
Sergeants	38,952	42,728
Inspectors	18,955	20,761
	<u>263,084</u>	<u>272,437</u>
TOTAL INCOME	112,750	116,758
Less: ADMINISTRATIVE EXPENSES (Note 1)	214,287	201,784
(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE	<u>- 101,537</u>	<u>- 85,026</u>
Add: Other Income - (Note 1.1) To include all Income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	143,708	120,157
SURPLUS FOR THE YEAR BEFORE GAINS / (LOSSES)	42,171	35,131
Gains / (Losses) - (Note 1.2)	(24,564)	-
Value Adjustments on Investments	-	-
Value Adjustments on Investment Properties	-	-
Deferred Tax on Value Adjustments	-	-
	<u>17,607</u>	<u>35,131</u>
SURPLUS FOR THE YEAR	17,607	35,131
RETAINED EARNINGS BROUGHT FORWARD	807,364	772,233
RETAINED EARNINGS CARRIED FORWARD	<u>824,971</u>	<u>807,364</u>

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
	£	£	£	£
TANGIBLE FIXED ASSETS				
Furniture and Fittings	85,928	78,917	7,011	4,532
Computer Equipment	33,087	24,089	8,998	12,261
Others -	-	-	-	-
Holiday Home	-	-	-	52,657
Holiday Lodge	93,782	1,876	91,906	-
	<u>212,797</u>	<u>104,882</u>	<u>107,915</u>	<u>69,450</u>
	2016 Cost	2015 Cost	2016 Market Value	2015 Market Value
	£	£	£	£
INVESTMENTS				
Investments	-	-	-	-
Investment Properties	424,989	424,989	424,989	424,989
Others	-	-	-	-
	<u>424,989</u>	<u>424,989</u>	<u>424,989</u>	<u>424,989</u>
CURRENT ASSETS				
Contributions due from Joint Central Committee (Note 4)			-	-
Subscriptions Due			-	-
Cash at Bank and In Hand			332,396	346,973
Others -				
Stock			852	2,405
Debtors & Prepayments			31,785	27,440
			<u>365,033</u>	<u>376,818</u>
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)			(4,414)	(7,170)
Corporation Tax			(7,833)	(5,263)
Deferred Tax			-	-
Sundry Accrued Expenses			(60,719)	(51,460)
			<u>(72,966)</u>	<u>(63,893)</u>
NET CURRENT ASSETS / (LIABILITIES)			<u>437,999</u>	<u>440,711</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			824,971	807,364
CREDITORS: Amounts Falling Due After More Than One Year			-	-
NET ASSETS			<u>824,971</u>	<u>807,364</u>
REPRESENTED BY				
Retained Earnings			824,971	807,364
			<u>824,971</u>	<u>807,364</u>

We certify that we have fully complied with the Regulation 2 Police Federation (Amendment) Regulations 2015 and These Financial Statements have been prepared using the measurement principles and provisions of FRS 102.

Signed  CHAIRMAN

Signed  TREASURER

Date Financial Statements approved: 10/2/17

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

	2016	2015
	£	£
1. ADMINISTRATIVE EXPENSES		
Accommodation	-	-
Additional Responsibility Payments (Honoraria)	14,306	14,916
Annual Conference	6,490	5,782
Audit and Accountancy Charges	6,762	6,280
Bank Charges	371	104
Clerical Assistance and Social Security Costs	41,282	44,983
Communication	4,647	5,785
Computer Consumables	5,185	4,957
Corporation Tax	7,833	5,263
Depreciation	10,226	7,342
Donations	4,784	6,503
Insurance	543	768
Meeting Expenses	300	7,497
Official Publications	10,921	4,818
Postage, Printing and Stationery	1,905	1,504
Repairs and Maintenance	7,536	4,717
Travelling & Subsistence	41,246	44,611
Sundry Expenses	683	1,626
Other Expenses -		
Corporation Tax Interest	4	-
Holiday Home Expenses	8,641	14,240
Holiday House Expenses	11,421	9,042
Holiday Lodge Expenses	11,557	-
Leasing	-	685
Legal & Professional	1,302	650
Light & Heat	1,628	895
Medical Reports	980	-
Out of Pocket Expenses	-	435
Presentation and Gifts	6,685	5,643
Training	7,049	2,738
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>214,287</u>	<u>201,784</u>
	2016	2015
	£	£
1.1 OTHER INCOME		
Bank Interest (Gross)	-	-
Dividends Received	-	-
Donations Received	-	-
Profit / (loss) from Mallshots and Commissions	126,144	101,827
Regulation 2c Income	17,564	18,330
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>143,708</u>	<u>120,157</u>
	2016	2015
	£	£
1.2 GAINS / (LOSSES)		
Gain / (Loss) on Investments	-	-
Gain / (Loss) on Fixed Assets	24,564	-
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>24,564</u>	<u>-</u>

**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, "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	— 25% and 15% reducing balance basis
Computer Equipment	— 25% straight line basis
Other Assets	— 25% reducing balance basis
Property - Holiday Homes	— 4% straight line basis

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

None

**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 safe-guarding 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	4,583	3,948
Sergeants	1,910	478
Inspectors	1,657	2,660
	4,330	7,086

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	1,141	1,221	108	9	5	4
Sergeants	206	250	-	-	4	1
Inspectors/Chief	12	31	-	-	-	-
Inspectors	76	94	1	1	1	-
	1,435	1,596	109	10	10	5

* This column refers to those members who are non contributors by virtue of receiving no pay, being on unpaid

6. INVESTMENTS (if applicable)

	2016 Market Value £	2015 Market Value £
Equities	-	-
Fixed Interest Funds	-	-
Unit Trusts	-	-
Others -	-	-
	-	-

7. INVESTMENT PROPERTIES (if applicable)

	2016 Market Value £	2015 Market Value £
Investment Properties	424,989	424,989
	424,989	424,989

**JOINT BRANCH BOARD FUND
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		797,722
Restatement of Investments and Investment Properties	1	9,642
Deferred Tax on Restatement of Investments and Investment Properties	2	-
Restated Retained Earnings at 31 December 2015		<u>807,364</u>

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Surplus / (Deficit) for the Year Ended 31 December 2015		25,489
Restatement of Investments and Investment Properties	1	9,642
Deferred Tax on Restatement of Investments and Investment Properties	2	-
Restated Surplus / (Deficit) for the Year Ended 31 December 2015		<u>35,131</u>

NOTES for the guidance of Treasurers
In completing the Statement of Income and Retained Earnings, Statement of Financial Position and Notes to the Financial Statements

STATEMENT OF INCOME AND RETAINED EARNINGS

1. **NAME**
The name of the force should be shown in the following places:
Cover
Statement of Financial Position
Statement of Income and Retained Earnings
Auditors Report
2. The corresponding amounts for last year should be entered in the last column of each page.
3. **DEPRECIATION**
This represents the portion of cost of the assets written off in the year due to wear and tear and should be provided at rates
4. **OTHER EXPENDITURE**
Any expenditure which does not fall under the headings in the Statement of Income and Retained Earnings, should be entered beneath the pre-printed list with the appropriate narrative. Please do not alter those headings already listed.
5. **OTHER INCOME**
If the Fund has any other income, such as deposit interest, dividends (including accumulation dividends), then this should be
6. **ADDITIONAL SCHEDULES**
Where additional schedules are to be used to give breakdowns of information in the Financial Statements, these should be signed and dated by the Chairman and Treasurer of the Board and the Auditors.

STATEMENT OF FINANCIAL POSITION

7. **ACCUMULATED FUND**
This represents the accumulated surpluses for all years from inception of the Fund.
8. **CONTRIBUTIONS DUE TO CENTRAL COMMITTEES**
These represent contributions due to the Committee but not paid at the end of the year. They will also be included in the figure
9. **SUNDRY ACCRUED EXPENSES**
Expenses which refer to the year under review, but which have not been paid at the end of the year, should be entered here in
10. **FIXED ASSETS**
Purchases of assets over £1,000 should be capitalised. Purchases of assets under £1,000 should generally be written off.
11. **SUBSCRIPTIONS DUE**
Subscriptions which are due to the Fund at the end of the year but which have not been received are to be shown here. They will

NOTES TO THE FINANCIAL STATEMENTS

12. **OTHER POLICIES/NOTES**
State any other accounting policies that are specifically adopted by the Fund, to reflect its own circumstances; for example policies on Stock, Revaluation of Properties, Other Income, Pensions, Other Fixed Assets, Loans etc. If Investments are held, the

NB. Copies of these Financial Statements must be forwarded to the Treasurers of the Rank Separate and Joint Central Committees. The copies must be signed by the officers of the Board and the Auditors (original signatures not photocopies).