

POLICE FEDERATION

Police Act 1964

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

LANCASHIRE POLICE JOINT BRANCH BOARD FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2016

**LANCASHIRE POLICE JOINT BRANCH BOARD FUND
YEAR ENDED 31ST DECEMBER 2016**

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23/25 Hutton Hall Avenue, Hutton
Preston
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TREASURER A Bradley
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AUDITORS George Hay & Company
Chartered Accountants &
Statutory Auditors
83 Cambridge Street
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SHOW NAMES AND ADDRESSES OF ABOVE OFFICIALS AND QUALIFICATIONS OF AUDITORS
INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
LANCASHIRE POLICE JOINT BRANCH BOARD FUND

We have audited the Financial Statements of the Lancashire Police 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.

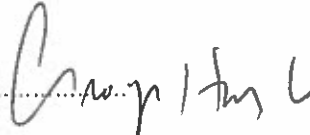
Opinion on Financial Statements

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

Dated: 26.1.2017

SW1V 4PS

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

	2016 £	2015 £
INCOME		
Weekly Subscriptions		
Constables	543,362	567,892
Sergeants	117,012	124,408
Inspectors	47,864	49,872
	<u>708,238</u>	<u>742,172</u>
Less: Payable to Joint Central Committee 70%		
Constables	380,353	397,524
Sergeants	81,909	87,085
Inspectors	33,505	34,911
	<u>495,767</u>	<u>519,520</u>
TOTAL INCOME	212,471	222,652
Less: ADMINISTRATIVE EXPENSES (Note 1)	238,333	283,560
(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE	<u>(25,862)</u>	<u>(60,908)</u>
Add: Other Income - (Note 1.1)		
To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	125,365	69,112
SURPLUS FOR THE YEAR BEFORE GAINS / (LOSSES)	99,503	8,204
Gains / (Losses) - (Note 1.2)	(12,121)	10,076
	<u>87,382</u>	<u>18,280</u>
SURPLUS FOR THE YEAR	87,382	18,280
RETAINED EARNINGS BROUGHT FORWARD	755,438	737,158
RETAINED EARNINGS CARRIED FORWARD	<u><u>842,820</u></u>	<u><u>755,438</u></u>

**LANCASHIRE POLICE 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	11,551	4,177	7,374	5,705
Computer Equipment	-	-	-	-
Others - (Specify)	-	-	-	-
	11,551	4,177	7,374	5,705
	2016 Cost	2015 Cost	2016 Market Value	2015 Market Value
	£	£	£	£
INVESTMENTS				
Investments	974,694	939,070	954,736	895,234
Others - (Specify)	-	-	-	-
	974,694	939,070	954,736	895,234
CURRENT ASSETS				
Subscriptions Due			57,425	60,921
Cash at Bank and in Hand			41,604	59,718
Others - (Specify)			113,145	63,747
			4,202	6,009
			216,376	190,395
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)			2,400	3,521
Corporation Tax			9,411	12,606
Sundry Accrued Expenses			28,162	19,586
			39,973	35,713
NET CURRENT ASSETS			176,403	154,682
TOTAL ASSETS LESS CURRENT LIABILITIES			1,138,513	1,055,621
CREDITORS: Amounts Falling Due After More Than One Year (Specify)				
			-	-
NET ASSETS			1,138,513	1,055,621
REPRESENTED BY				
Retained Earnings			838,330	755,438
Other Reserves - (Specify)			-	-
Members Services Fund Accumulated Fund at 31 December 2014			300,183	300,183
			1,138,513	1,055,621

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 R Baines CHAIRMAN

Signed Bradley TREASURER

Date financial statements approved: 25/1/17

**LANCASHIRE POLICE 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)	50	9,885
Annual Conference	11,888	13,327
Audit and Accountancy Charges	7,914	7,705
Bank Charges	446	255
Clerical Assistance and Social Security Costs	62,602	59,142
Communication	7,011	9,923
Computer Consumables	9,097	9,645
Corporation Tax	9,769	12,672
Depreciation	1,301	1,007
Donations	4,105	17,450
Incidental Overnight Expenses	988	716
Insurance	1,512	1,530
Meeting Expenses	29,055	24,125
Official Publications	-	1,666
Postage, Printing and Stationery	1,111	1,258
Repairs and Maintenance	1,335	1,381
Subsistence (Meal Expenses)	5,640	7,673
Sundry Expenses	1,134	1,605
Travel	-	-
Other Expenses - (<i>Specify</i>)	87,865	102,595
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u><u>242,823</u></u>	<u><u>283,560</u></u>
	2016 £	2015 £
1.1 OTHER INCOME		
Bank Interest (Gross)	97	146
Diminution on Investments	23,878	-43,836
Dividends Received	46,112	46,140
Commissions and Mailshots	55,278	66,662
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u><u>125,365</u></u>	<u><u>69,112</u></u>
	2016 £	2015 £
1.2 GAINS / (LOSSES)		
Gain / (Loss) on Investments	(12,121)	10,076
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u><u>(12,121)</u></u>	<u><u>10,076</u></u>

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

	2016	2015
	£	£
1.3 Donations		
Police Family Fun Day	1,500	1,500
Lancaster Memorial Plaque	500	-
Police Roll of Honour Trust	300	1,300
P C D Phillips Memorial Fund	-	3,500
P C N Doyle Memorial Fund	-	3,000
Police Dependants Trust	-	2,000
Rosemere Cancer Foundation	-	2,000
Lancaster and Morecambe Police Fitness Equipment	-	1,200
Pennine Sports and Social Club	-	1,000
Others	1,805	1,950
	<u>4,105</u>	<u>17,450</u>
	2016	2015
	£	£
1.4 Other Expenses		
Training courses	7,893	3,620
Hospitality	5,954	3,209
Presentation and Retirement Gifts	2,015	146
Professional Fees	28,413	52,648
Additional Responsibility Disbursement	13,235	13,570
Mileage Allowance	6,987	6,491
Stockbrokers Management charges	5,969	5,899
Subscription Collection charges	7,082	7,403
Welfare Travelling and Gifts	4,717	2,020
Website	5,600	4,800
Charity Events	-	2,789
	<u>87,865</u>	<u>102,595</u>

**LANCASHIRE POLICE 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 includes 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 (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)*

**LANCASHIRE POLICE 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	-	1,408
Sergeants	-	753
Inspectors	-	(117)
Joint	2,400	1,477
	2,400	3,521

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	2,204	2,277	11	11	71	65
Sergeants	440	481	3	4	8	6
Inspectors/Chief	44	45	1	-	-	-
Inspectors	139	144	-	1	-	-
	2,827	2,947	15	16	79	71

* 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	193,088	224,108
Fixed Interest Funds	241,550	344,084
Unit Trusts and Internal Companies	381,635	232,505
Others - (Specify)	-	-
Foreign Securities	138,463	94,537
	954,736	895,234

7. INVESTMENT PROPERTIES (if applicable)

	2016 Market Value £	2015 Market Value £
Investment Properties	-	-
	-	-

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

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		
Restatement of Investments and Investment Properties	1	-
Deferred Tax on Restatement of Investments and Investment Properties	2	-
Restated Retained Earnings at 31 December 2015		<u>-</u>

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		<u>-</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
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 shown here with a brief description of each item received.
6. **ADDITIONAL SCHEDULES**
Where additional schedules are to be used to give breakdowns of information in the Financial Statements, these should

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
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
10. **FIXED ASSETS**
Purchases of assets over £1,000 should be capitalised. Purchases of assets under £1,000 should generally be written
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.

NOTES TO THE FINANCIAL STATEMENTS

12. **OTHER POLICIES/NOTES**
example policies on Stock, Revaluation of Properties, Other Income, Pensions, Other Fixed Assets, Loans etc. If Investments are held, the 'cost less provision for impairment in value' and 'market value' at the year end should be
- 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).