

# **POLICE FEDERATION**

**Police Act 1964**

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

**LINCOLNSHIRE JOINT BRANCH BOARD FUND**

## **FINANCIAL STATEMENTS**

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

**F45**

**MM / 2016**

**LINCOLNSHIRE JOINT BRANCH BOARD FUND**

**YEAR ENDED 31ST DECEMBER 2016**

<b>CHAIRMAN</b>	J Hassall Lincolnshire Police Federation Police Headquarters PO Box 999, Deepdale Lane Nettleham Lincoln, LN5 7PH
<b>SECRETARY</b>	C Hewitt Lincolnshire Police Federation Police Headquarters PO Box 999, Deepdale Lane Nettleham Lincoln, LN5 7PH
<b>TREASURER</b>	C Hewitt Lincolnshire Police Federation Police Headquarters PO Box 999, Deepdale Lane Nettleham Lincoln, LN5 7PH
<b>AUDITORS</b>	Johnson Murkett & Hurst Chartered Accountants & Statutory Auditors 16a Fir Tree Lane Groby Leicester LE6 0FH
<b>TRUSTEES</b>	Peter Wilkinson Philip Clark Mark Carlin  Lincolnshire Police Federation Police Headquarters PO Box 999, Deepdale Lane Nettleham Lincoln, LN5 7PH

**SHOW NAMES AND ADDRESSES OF ABOVE OFFICIALS AND QUALIFICATIONS OF AUDITORS**

## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LINCOLNSHIRE JOINT BRANCH BOARD FUND

We have audited the Financial Statements of the Lincolnshire 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: .....

Johnson Murkett & Hurst  
Chartered Accountants & Statutory Auditors  
16a Fir Tree Lane  
Groby  
Leicester  
LE6 0FH

Dated: .....

21 August 2017

**LINCOLNSHIRE 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	192,847	196,638
Sergeants	47,131	47,757
Inspectors	19,940	19,487
	259,918	263,882
Less: Payable to Joint Central Committee 70%		
Constables	134,993	137,647
Sergeants	32,992	33,430
Inspectors	13,958	13,641
	181,943	184,717
<b>TOTAL INCOME</b>	77,975	79,165
Less: ADMINISTRATIVE EXPENSES (Note 1)	72,901	67,889
	5,074	11,276
<b>SURPLUS OF SUBSCRIPTION INCOME OVER EXPENDITURE</b>		
Add: Other Income - (Note 1.1) To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	24,475	25,276
	29,549	36,552
<b>SURPLUS FOR THE YEAR BEFORE GAINS / (LOSSES)</b>		
Gains / (Losses) - (Note 1.2)	-	-
Value Adjustments on Investments	-	-
Value Adjustments on Investment Properties	-	-
Deferred Tax on Value Adjustments	-	-
	29,549	36,552
<b>SURPLUS FOR THE YEAR</b>	29,549	36,552
<b>RETAINED EARNINGS BROUGHT FORWARD</b>	245,067	143,092
<b>RETAINED EARNINGS BROUGHT FORWARD - MEMBER SERVICES</b>		65,423
<b>RETAINED EARNINGS CARRIED FORWARD</b>	274,616	245,067

LINCOLNSHIRE 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 £
<b>TANGIBLE FIXED ASSETS</b>				
Furniture and Fittings	-	-	-	-
Computer Equipment	30,163	28,489	1,674	2,784
Others - (Specify)	-	-	-	-
Electronic Equipment	970	970	-	-
Office Equipment	19,610	19,610	-	-
	<u>50,743</u>	<u>49,069</u>	<u>1,674</u>	<u>2,784</u>
<b>INVESTMENTS</b>				
	2016 Cost £	2015 Cost £	2016 Market Value £	2015 Market Value £
Investments	-	-	-	-
Investment Properties	-	-	-	-
Others - (Specify)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CURRENT ASSETS</b>				
Contributions due from Joint Central Committee (Note 4)			-	-
Subscriptions Due			-	0
Cash at Bank and in Hand			307,433	309,373
Others - (Specify)				
Stock			850	910
Sundry accrued debtors			3,552	2,754
			<u>311,835</u>	<u>313,037</u>
<b>CURRENT LIABILITIES</b>				
Contributions due to Joint Central Committee (Note 4)			2,643	33,759
Corporation Tax			74	122
Deferred Tax			-	-
Sundry Accrued Expenses			36,176	36,873
			<u>38,893</u>	<u>70,754</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>			<u>274,616</u>	<u>245,067</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			274,616	245,067
<b>CREDITORS: Amounts Falling Due After More Than One Year (Specify)</b>			-	-
<b>NET ASSETS</b>			<u>274,616</u>	<u>245,067</u>
<b>REPRESENTED BY</b>				
Retained Earnings			274,616	245,067
Other Reserves - (Specify)				
			<u>274,616</u>	<u>245,067</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: .....  1/2/17

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

	2016 £	2015 £
<b>1. ADMINISTRATIVE EXPENSES</b>		
Accommodation	-	-
Additional Responsibility Payments (Honoraria)	2,624	2,739
Annual Conference	-	-
Audit and Accountancy Charges	3,120	2,720
Bank Charges	153	34
Clerical Assistance and Social Security Costs	39,480	38,713
Communication	-	-
Computer Consumables	2,624	2,418
Corporation Tax	41	72
Depreciation	1,110	1,222
Donations	-	-
Hospitality	541	84
Incidental Overnight Expenses	863	890
Insurance	2,125	1,380
Meeting Expenses	2,551	5,826
Official Publications	-	-
Postage, Printing and Stationery	1,314	1,473
Repairs and Maintenance	-	-
Subsistence (Meal Expenses)	-	-
Sundry Expenses	809	292
Travel	-	-
Other Expenses - (Specify)		
Travel and Subsistence	8,302	7,465
Telephone	1,253	1,213
Training	4,790	-
Legal & Professional	689	678
Office Equipment	512	670
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<u><u>72,901</u></u>	<u><u>67,889</u></u>
	2016	2015
	£	£
<b>1.1 OTHER INCOME</b>		
Bank Interest (Gross)	206	360
Dividends Received	-	-
Donations Received	-	-
Profit / (loss) from Mailshots and Commissions	-	-
Regulation 2c Income	18,269	18,916
Reimbursement of administration expenses	6,000	6,000
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<u><u>24,475</u></u>	<u><u>25,276</u></u>
	2016	2015
	£	£
<b>1.2 GAINS / (LOSSES)</b>		
Gain / (Loss) on Investments		
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<u><u>-</u></u>	<u><u>-</u></u>

**LINCOLNSHIRE 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	— 15% reducing balance basis
Computer Equipment	— 25% straight line basis
Other Assets	— 25% reducing balance basis
Property - (Specify)	

**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)**

**LINCOLNSHIRE 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	1,961	24,442
Sergeants	479	4,993
Inspectors	203	4,324
	2,643	33,759

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

	2016	2015	2016	2015	2016	2015
	No. of Contributing Members	No. of Contributing Members	No. of Non Contributing Members	No. of Non Contributing Members	Others*	Others*
Cadets	-	-	-	-	-	-
Constables	800	812	10	23	-	-
Sergeants	182	187	3	3	-	-
Inspectors/Chief Inspectors	77	70	-	-	-	-
	1,059	1,069	13	26	-	-

\* 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)	-	-
	-	-

**7. INVESTMENT PROPERTIES (if applicable)**

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



**LINCOLNSHIRE 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		
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		-

**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 calculated to write off the cost of the asset over its useful life. Normally, an average of 15% for furniture and fittings and 25% for other assets on a reducing balance basis and 25% for computer equipment on a straight line basis, should be adequate. The depreciation policy with regard to property should be disclosed under note 2, if applicable.

**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 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 which appears in the Statement of Income and Retained Earnings "Payable to Central Committees". This amount should be shown in the "Notes" and analysed between the different ranks.

**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 total. They will also, of course, be included under the appropriate headings, in the Statement of Income and Retained Earnings.

**10. FIXED ASSETS**

Purchases of assets over £1,000 should be capitalised. Purchases of assets under £1,000 should generally be written off. Assets not conforming with the standard headings should be shown separately on the Statement of Financial Position under "Others (specify)" in the Fixed Assets category.

**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 be added to the amounts received in respect of the year and included in the total as shown in the Statement of Income and Retained Earnings.

**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 'cost less provision for impairment in value' and 'market value' at the year end should be disclosed in note 6 in the Financial Statements.

**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).