

POLICE FEDERATION

Police Act 1964

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

**NORTH WALES POLICE
JOINT BRANCH BOARD FUND**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

F45
MM / 2016

NORTH WALES POLICE JOINT BRANCH BOARD FUND

YEAR ENDED 31ST DECEMBER 2016

CHAIRMAN	Mr Simon Newport 311, Abergele Road, Old Colwyn Conwy LL29 9YF
SECRETARY	Mr Richard Wyn Eccles 311, Abergele Road, Old Colwyn Conwy LL29 9YF
TREASURER	Mr Richard Wyn Eccles 311, Abergele Road, Old Colwyn Conwy LL29 9YF
AUDITORS	Aled Roberts BA (Hons) ACA Salisbury & Company Chartered Accountants Irish Square Upper Denbigh Road St Asaph Denbighshire LL17 0RN
TRUSTEES	Mr Andrew Mark Broadhead (Inspector) 311, Abergele Road, Old Colwyn Conwy LL29 9YF
	Mr Mark Charles Jones (Sergeant) 311, Abergele Road, Old Colwyn Conwy LL29 9YF
	Mr David Barry Andrews (Constable) 311, Abergele Road, Old Colwyn Conwy LL29 9YF

**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: 

Salisbury and Company Business Solutions Ltd
Chartered Accountants & Statutory Auditors
Irish Square
Upper Denbigh Road
St Asaph

Dated: 19-1-17

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NORTH WALES POLICE JOINT BRANCH BOARD FUND

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

	2016	2015
	£	£
INCOME		
Weekly Subscriptions		
Constables	280,330	282,341
Sergeants	54,748	58,093
Inspectors	18,257	19,465
	<hr/>	<hr/>
	353,335	359,899
Less: Payable to Joint Central Committee 70%		
Constables	196,231	197,639
Sergeants	38,324	40,665
Inspectors	12,780	13,626
	<hr/>	<hr/>
	247,335	251,930
TOTAL INCOME	106,000	107,969
Less: ADMINISTRATIVE EXPENSES (Note 1)	84,826	106,770
SURPLUS OF SUBSCRIPTION INCOME OVER EXPENDITURE	<hr/>	<hr/>
	21,174	1,199
Add: Other Income - (Note 1.1)	63,897	64,387
To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015		
SURPLUS FOR THE YEAR BEFORE GAINS / (LOSSES)	85,071	65,586
Gains / (Losses) - (Note 1.2)	68,434	(6,813)
Value Adjustments on Investments	-	-
Value Adjustments on Investment Properties	-	-
Deferred Tax on Value Adjustments	-	-
	<hr/>	<hr/>
SURPLUS FOR THE YEAR	153,505	58,773
RETAINED EARNINGS BROUGHT FORWARD	1,031,940	973,165
RETAINED EARNINGS CARRIED FORWARD	<hr/>	<hr/>
	1,185,445	1,031,938

NORTH WALES POLICE JOINT BRANCH BOARD FUND

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016

	<u>2016 Cost</u>	<u>Accumulated Depreciation/ Revaluation/ Impairment</u>	<u>2016 Net Book Value</u>	<u>2015 Net Book Value</u>
	£	£	£	£
TANGIBLE FIXED ASSETS				
Freehold property	367,794	0	367,794	142,853
Furniture and Fittings	32,170	30,571	1,599	1,777
Computer Equipment	81,764	81,764	0	0
Others - (Specify)	0	0	0	0
	<u>481,728</u>	<u>112,335</u>	<u>369,393</u>	<u>144,630</u>
	<u>2016 Cost</u>	<u>2015 Cost</u>	<u>2016 Market Value</u>	<u>2015 Market Value</u>
	£	£	£	£
INVESTMENTS				
Investments	250,000	250,000	651,305	582,871
Investment Properties	0	0	0	0
Others - (Specify)	0	0	0	0
	<u>250,000</u>	<u>250,000</u>	<u>651,305</u>	<u>582,871</u>
CURRENT ASSETS				
Contributions due from Joint Central Committee (Note 4)				
Subscriptions Due				
Cash at Bank and in Hand			163,909	302,528
Others - (Specify)				
Stock			2,764	4,279
Prepayments			176	171
			<u>166,849</u>	<u>306,978</u>
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)				
Corporation Tax			0	439
Deferred Tax				
Sundry Accrued Expenses			2,101	2,100
			<u>2,101</u>	<u>2,539</u>
NET CURRENT ASSETS / (LIABILITIES)			<u>164,748</u>	<u>304,439</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,185,446	1,031,940
CREDITORS: Amounts Falling Due After More Than One Year (Specify)			0	0
NET ASSETS			<u>1,185,446</u>	<u>1,031,940</u>
REPRESENTED BY				
Retained Earnings			1,185,446	1,031,940
Other Reserves - (Specify)				
			<u>1,185,446</u>	<u>1,031,940</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: 19.01.2017

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

	2016	2015
	£	£
1. ADMINISTRATIVE EXPENSES		
Accommodation	6,154	4,739
Additional Responsibility Payments (Honoraria)	7,480	5,300
Annual Conference	5,308	6,532
Audit and Accountancy Charges	2,760	2,280
Bank Charges	83	40
Clerical Assistance and Social Security Costs	19,879	7,307
Communication		
Computer Consumables	379	2,806
Corporation Tax	-	439
Depreciation	178	197
Donations	-	3,250
Hospitality		
Incidental Overnight Expenses		
Insurance	743	728
Meeting Expenses	4,431	2,506
Official Publications		
Postage, Printing and Stationery	562	563
Repairs and Maintenance	144	2,006
Subsistence (Meal Expenses)		
Sundry Expenses	806	724
Travel	8,748	6,595
Other Expenses - (<i>Specify</i>)		
Training	600	775
Purchase of Diaries	5,380	9,049
Purchase of Calendars	368	347
Purchase of Pens	588	658
Office Running Costs	10,021	10,120
Your Voice Costs	4,152	6,220
Cuts Campaign	-	21,806
Fatigue Survey	-	5,000
Legal fees	-	2,880
Surcharge	-	100
Bravery Award/Community officer award	2,161	1,793
Retirement Gifts	3,697	1,695
Welfare	204	312
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>84,826</u>	<u>106,767</u>
	2016	2015
	£	£
1.1 OTHER INCOME		
Bank Interest (Gross)	472	647
Dividends Received	-	-
Donations Received	-	-
Profit / (loss) from Mailshots and Commissions	7,630	7,960
Regulation 2c Income	-	-
Admin expenses re motor insurance	9,527	13,107
Admin expenses re Group Life insurance	42,051	39,558
Diary/Calendar advertisements	3,730	2,575
Sundry	487	540
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>63,897</u>	<u>64,387</u>
	2016	2015
	£	£
1.2 GAINS / (LOSSES)		
Gain / (Loss) on Investments	68,434	(6,813)
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>68,434</u>	<u>(6,813)</u>

**NORTH WALES 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, "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 - <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 (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)*

**NORTH WALES 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	-	-
Sergeants	-	-
Inspectors	-	-
	-	-

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	1,122	1,157	-	-	-	-
Sergeants	202	230	-	-	-	-
Inspectors/Chief Inspectors	75	73	-	-	-	-
	1,399	1,460	-	-	-	-

* 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)	-	-
SJP/THSP Managed fund	59,626	53,040
Global Equity	139,350	114,858
SJP/Managed Equity & Bond	58,262	57,582
Property fund	49,401	48,495
Corporate Bond	136,928	130,325
Diversified Income	33,146	30,951
Alternative Assets	47,215	42,862
Far East	12,875	11,006
Global Emerging Markets	114,503	93,753
	651,306	582,872

7. INVESTMENT PROPERTIES (if applicable)

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

**NORTH WALES POLICE 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		1,031,940
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>1,031,940</u>

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Surplus / (Deficit) for the Year Ended 31 December 2015		58,775
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>58,775</u>