

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

JOINT BRANCH BOARD FUND
YEAR ENDED 31ST DECEMBER 2016

CHAIRMAN	K Jervis 6 Hearn Court Rising Brook Stafford ST17 9QN		
SECRETARY	G Pattinson 6 Hearn Court Rising Brook Stafford ST17 9QN		
TREASURER	P Blamire 6 Hearn Court Rising Brook Stafford ST17 9QN		
AUDITORS	Deans Chartered Accountants & Registered Auditors Bank Passage Stafford ST16 2JS		
TRUSTEES	R Moors 6 Hearn Court Rising Brook Stafford ST17 9QN	A Chapman 6 Hearn Court Rising Brook Stafford ST17 9QN	M Sharrock 6 Hearn Court Rising Brook Stafford ST17 9QN

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: 

Deans Chartered Accountants & Registered Auditors
Bank Passage
Stafford
ST16 2JS

Dated: 13th February 2017

JOINT BRANCH BOARD FUND

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

	2016 £	2015 £
INCOME		
Weekly Subscriptions		
Constables	305,534	322,318
Sergeants	72,983	70,502
Inspectors	25,097	23,824
	<hr/> 403,614	<hr/> 416,644
Less: Payable to Joint Central Committee 70%		
Constables	213,874	225,623
Sergeants	51,089	49,351
Inspectors	17,568	16,677
	<hr/> 282,531	<hr/> 291,651
TOTAL INCOME	121,083	124,993
Less: ADMINISTRATIVE EXPENSES (Note 1)	194,175	227,045
	<hr/> (73,092)	<hr/> (102,052)
(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE		
Add: Other Income - (Note 1.1)	159,640	157,250
To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	<hr/>	<hr/>
SURPLUS FOR THE YEAR BEFORE GAINS / (LOSSES)	86,548	55,198
Gains / (Losses) - (Note 1.2)	-	-
Unrealised Value Adjustments on Investments	58,532	1,909
Unrealised Value Adjustments on Investment Properties	-	-
Deferred Tax on Value Adjustments	(9,548)	528
	<hr/>	<hr/>
SURPLUS FOR THE YEAR	135,532	57,635
RETAINED EARNINGS BROUGHT FORWARD	1,260,411	1,202,776
RETAINED EARNINGS CARRIED FORWARD	<hr/> <hr/> 1,395,943	<hr/> <hr/> 1,260,411

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	49,762	29,258	20,504	27,167
Computer Equipment	41,317	40,497	820	1,048
Land and Buildings	260,061	53,209	206,852	211,183
	<u>351,140</u>	<u>122,964</u>	<u>228,176</u>	<u>239,398</u>
	2016 Cost	2015 Cost	2016 Market Value	2015 Market Value
	£	£	£	£
INVESTMENTS				
Investments	350,000	350,000	451,952	393,420
Investment Properties	281,076	281,076	281,076	281,076
	<u>631,076</u>	<u>631,076</u>	<u>733,028</u>	<u>674,496</u>
CURRENT ASSETS				
Contributions due from Joint Central Committee (Note 4)			22,813	-
Cash at Bank and in Hand			477,795	374,555
Prepayments and other debtors			19,652	22,553
			<u>520,260</u>	<u>397,108</u>
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)			-	(28,005)
Insurance payout due			(51,000)	-
Sundry Accrued Expenses			(19,729)	(17,342)
			<u>(70,729)</u>	<u>(45,347)</u>
NET CURRENT ASSETS			<u>449,531</u>	<u>351,761</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,410,735	1,265,655
CREDITORS: Amounts Falling Due After More Than One Year				
<i>Deferred Tax</i>			(14,792)	(5,244)
NET ASSETS			<u>1,395,943</u>	<u>1,260,411</u>
REPRESENTED BY				
Retained Earnings			1,395,943	1,260,411
Other Reserves - (<i>Specify</i>)				
			<u>1,395,943</u>	<u>1,260,411</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: 13th February 2017

**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)	24,764	21,048
Annual Conference	1,365	7,694
Audit and Accountancy Charges	7,486	7,244
Bank Charges	1,515	1,519
Clerical Assistance and Social Security Costs	61,095	64,426
Computer Consumables	3,355	12,321
Corporation Tax	13	26
Depreciation	12,299	12,419
Donations	1,500	8,000
Entertainment	1,681	2,180
Household and Cleaning	353	-
Insurance	4,126	3,344
Legal and Professional Fees	12,822	9,746
Loss/(Profit) on Disposal of Assets	16	-
Mailshots	1,110	-
Meeting Expenses	8,505	8,770
Official Publications	8,671	6,552
Pensions Contributions	3,465	3,491
Postage, Printing and Stationery	1,249	2,313
Repairs and Maintenance	1,772	3,870
Sundry Expenses	3,124	7,804
Telephone Charges	8,413	9,311
Travel and Subsistence	25,476	34,967
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>194,175</u>	<u>227,045</u>
	2016 £	2015 £
1.1 OTHER INCOME		
Bank Interest (gross)	1,114	559
Donations and Other Sundry Income	6,003	2,218
Group Insurance Premiums and Contributions	142,600	145,934
Net Merlin Tussauds Income	11,346	9,367
Commission Received	1,235	994
Net Property Income/(Loss)	(2,658)	(1,822)
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>159,640</u>	<u>157,250</u>
	2016 £	2015 £
1.2 GAINS / (LOSSES)		
Gain on Investments	58,532	1,909
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>58,532</u>	<u>1,909</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.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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
Land and Buildings	— 2% 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 tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

I. Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

J. Employees and Trustees

The Average number of employees during the year was 5 (2015 - 5)

**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	15,873	(34,774)
Sergeants	5,889	6,149
Inspectors	1,051	620
	<u>22,813</u>	<u>(28,005)</u>

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	74	71	-	-	-	-
Constables	1,138	1,184	29	36	-	-
Sergeants	282	288	5	6	-	-
Inspectors/Chief	94	102	1	1	-	-
Other ranks	-	-	18	20	-	-
	<u>1,588</u>	<u>1,645</u>	<u>53</u>	<u>63</u>	<u>-</u>	<u>-</u>

* 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	253,129	210,859
Fixed Interest Funds	107,301	99,204
Alternative investments	20,827	19,633
Property and cash	70,695	63,724
	<u>451,952</u>	<u>393,420</u>

7. INVESTMENT PROPERTIES (if applicable)

	2016 Market Value £	2015 Market Value £
Investment Properties	281,076	281,076
	<u>281,076</u>	<u>281,076</u>

**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		1,216,634
Restatement of Investments and Investment Properties	1	49,021
Deferred Tax on Restatement of Investments and Investment Properties	2	(5,244)
Restated Retained Earnings at 31 December 2015		<u>1,260,411</u>

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Surplus for the Year Ended 31 December 2015		52,020
Restatement of Investments and Investment Properties	1	5,087
Deferred Tax on Restatement of Investments and Investment Properties	2	528
Restated Surplus for the Year Ended 31 December 2015		<u>57,635</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 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).