

POLICE FEDERATION

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

SURREY JOINT BRANCH BOARD FUND

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

SURREY JOINT BRANCH BOARD FUND

YEAR ENDED 31ST DECEMBER 2016

CHAIRMAN Melanie Warnes
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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
SURREY JOINT BRANCH BOARD FUND**

We have audited the Financial Statements of the Surrey 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:



Hartley Fowler LLP
Chartered Accountants & Statutory Auditors
4th Floor Tuition House
27/37 St George's Road
London
SW19 4EU

Dated:

1st February 2017

SURREY JOINT BRANCH BOARD FUND

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

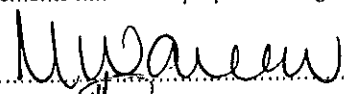
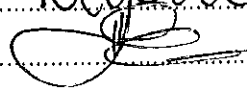
	2016 £	2015 £ Restated
INCOME		
Weekly Subscriptions		
Constables	341,202	354,558
Sergeants	76,825	74,581
Inspectors	25,119	24,903
	<hr/>	<hr/>
	443,146	454,042
Less: Payable to Joint Central Committee 70%		
Constables	238,841	248,191
Sergeants	53,777	52,206
Inspectors	17,584	17,432
	<hr/>	<hr/>
	310,202	317,829
TOTAL INCOME	132,944	136,213
Less: ADMINISTRATIVE EXPENSES (Note 1)	138,441	161,234
	<hr/>	<hr/>
(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE	(5,497)	(25,021)
Add: Other Income - (Note 1.1) To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	6,663	8,178
SURPLUS / (DEFICIT) FOR THE YEAR BEFORE GAINS / (LOSSES)	1,166	(16,843)
Gains / (Losses) - (Note 1.2)	25,013	(2,157)
Value Adjustments on Investments	-	2,229
Value Adjustments on Investment Properties	-	-
Deferred Tax on Value Adjustments	(5,003)	(446)
	<hr/>	<hr/>
SURPLUS / (DEFICIT) FOR THE YEAR	21,176	(17,217)
RETAINED EARNINGS BROUGHT FORWARD	424,909	442,126
RETAINED EARNINGS CARRIED FORWARD	<hr/> <hr/>	<hr/> <hr/>
	446,085	424,909

SURREY 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				Restated
Furniture and Fittings	31,759	23,088	8,671	9,634
Computer Equipment	34,031	33,880	151	495
Others - (Specify)				
Welfare Home	41,247	27,813	13,434	16,793
Building Extension	28,561	16,135	12,426	14,897
	<u>135,598</u>	<u>100,916</u>	<u>34,682</u>	<u>41,819</u>
	2016 Cost	2015 Cost	2016 Market Value	2015 Market Value
	£	£	£	£
INVESTMENTS				
Investments	299,931	292,377	324,752	292,185
Investment Properties	-	-	-	-
Others - (Specify)	-	-	-	-
	<u>299,931</u>	<u>292,377</u>	<u>324,752</u>	<u>292,185</u>
CURRENT ASSETS				
Contributions due from Joint Central Committee (Note 4)			-	-
Subscriptions Due			36,183	37,406
Cash at Bank and in Hand			41,018	39,222
Others - (Specify) Building Society			64,453	63,284
Sundry Debtors			7,763	8,592
			<u>149,417</u>	<u>148,504</u>
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)			25,328	26,184
Corporation Tax			121	-
Deferred Tax			5,449	446
Sundry Accrued Expenses			31,868	30,969
			<u>62,766</u>	<u>57,599</u>
NET CURRENT ASSETS / (LIABILITIES)			<u>86,651</u>	<u>90,905</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			446,085	424,909
CREDITORS: Amounts Falling Due After More Than One Year (Specify)			-	-
NET ASSETS			<u>446,085</u>	<u>424,909</u>
REPRESENTED BY				
Retained Earnings			446,085	424,909
Other Reserves - (Specify)				
			<u>446,085</u>	<u>424,909</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: 1st February 2017

**SURREY 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)	9,641	9,262
Annual Conference	4,352	5,434
Audit and Accountancy Charges	4,260	4,020
Bank Charges	331	5,243
Clerical Assistance and Social Security Costs	72,508	65,018
Communication	-	-
Computer Consumables	5,390	5,048
Corporation Tax	198	(292)
Depreciation	7,430	10,484
Donations	1,560	1,870
Hospitality	-	-
Incidental Overnight Expenses	-	-
Insurance	1,118	1,077
Meeting Expenses	9,748	16,617
Official Publications	445	1,383
Postage, Printing and Stationery	706	1,116
Repairs and Maintenance	296	173
Subsistence (Meal Expenses)	-	-
Sundry Expenses	129	298
Travel	9,508	11,198
Other Expenses - (<i>Specify</i>)		
Flowers and Presentations	1,181	121
Shorefield - Welfare Home Expenses	4,764	4,972
Welfare	2,388	7,552
Professional Fees	2,383	10,288
Out-of-Pocket Expenses	30	90
Telephone charges	75	262
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>138,441</u>	<u>161,234</u>
	2016 £	2015 £
1.1 OTHER INCOME		
Bank Interest (Gross)	47	107
Building Society Interest Received	745	1,554
Unit Trust Interest Received	2,983	2,202
Dividends Received	2,571	1,723
Donations Received	-	270
Profit / (loss) from Mailshots and Commissions	-	-
Regulation 2c Income	-	-
Sundry Income	317	2,322
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>6,663</u>	<u>8,178</u>
	2016 £	2015 £
1.2 GAINS / (LOSSES)		
Gain / (Loss) on Investments	25,013	(2,157)
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	<u>25,013</u>	<u>(2,157)</u>

**SURREY 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	— 10% reducing balance basis
Computer Equipment	— 50% straight line basis
Other Assets	— 25% reducing balance basis
Property - <i>(Specify)</i>	
Welfare Assets	— 20% reducing balance basis
Property - Conservatory	— 10% 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 (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)*

**SURREY 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	19,618	19,960
Sergeants	4,366	4,683
Inspectors	1,344	1,541
	25,328	26,184

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	1,457	1,426	-	-	-	-
Sergeants	289	310	-	-	-	-
Inspectors/Chief	-	-	-	-	-	-
Inspectors	89	102	-	-	-	-
	1,835	1,838	-	-	-	-

* 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	324,752	292,185
Others - (Specify)	-	-
	324,752	292,185

7. INVESTMENT PROPERTIES (if applicable)

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

**SURREY 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		423,126
Restatement of Investments and Investment Properties	1	2,229
Deferred Tax on Restatement of Investments and Investment Properties	2	<u>(446)</u>
Restated Retained Earnings at 31 December 2015		<u>424,909</u>

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Surplus / (Deficit) for the Year Ended 31 December 2015		(19,000)
Restatement of Investments and Investment Properties	1	2,229
Deferred Tax on Restatement of Investments and Investment Properties	2	<u>(446)</u>
Restated Surplus / (Deficit) for the Year Ended 31 December 2015		<u>(17,217)</u>