

# **POLICE FEDERATION**

**Police Act 1964**

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

**SUSSEX POLICE FEDERATION JOINT BRANCH BOARD FUND**

## **FINANCIAL STATEMENTS**

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

**F45**

**MM / 2016**

**SUSSEX POLICE FEDERATION JOINT BRANCH BOARD FUND**

**YEAR ENDED 31ST DECEMBER 2016**

<b>CHAIRMAN</b>	M Webb Police Federation Office Police Headquarters Church Lane Lewes East Sussex, BN7 2DZ
<b>SECRETARY</b>	M White Police Federation Office Police Headquarters Church Lane Lewes East Sussex, BN7 2DZ
<b>TREASURER</b>	A Foster Police Federation Office Police Headquarters Church Lane Lewes East Sussex, BN7 2DZ
<b>AUDITORS</b>	George Hay & Company, Chartered Accountants & Statutory Auditors, 83 Cambridge Street, Pimlico, London, SW1V 4PS
<b>TRUSTEES</b>	J Blight Police Federation Office Police Headquarters Church Lane Lewes East Sussex, BN7 2DZ
	S Chalcraft Police Federation Office Police Headquarters Church Lane Lewes East Sussex, BN7 2DZ
	P Nicholas Police Federation Office Police Headquarters Church Lane Lewes East Sussex, BN7 2DZ

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF SUSSEX POLICE FEDERATION JOINT BRANCH BOARD FUND**

We have audited the Financial Statements of the Sussex Police Federation 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  
SW1V 4PS

Dated: 1st February 2017

**SUSSEX POLICE FEDERATION JOINT BRANCH BOARD FUND**

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

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>INCOME</b>		
Weekly Subscriptions		
Constables	506,483	518,652
Sergeants	103,347	111,849
Inspectors	44,174	46,440
	<hr/>	<hr/>
	654,004	676,941
 Less: Payable to Joint Central Committee 70%		
Constables	354,538	363,057
Sergeants	72,343	78,294
Inspectors	30,922	32,508
	<hr/>	<hr/>
	457,803	473,859
 <b>TOTAL INCOME</b>	 196,201	 203,082
 Less: <b>ADMINISTRATIVE EXPENSES</b> (Note 1)	 162,336	 244,137
	<hr/>	<hr/>
<b>SURPLUS / (DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE</b>	33,865	(41,055)
 Add: Other Income - (Note 1.1) To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	 34,224	 31,266
	<hr/>	<hr/>
<b>SURPLUS / (DEFICIT) FOR THE YEAR BEFORE GAINS / (LOSSES)</b>	68,089	(9,789)
 Gains / (Losses) - (Note 1.2)	 -	 -
 Value Adjustments on Investments	 28,748	 (1,513)
 Deferred Tax on Value Adjustments	 (5,749)	 304
	<hr/>	<hr/>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	91,088	(10,998)
 <b>RETAINED EARNINGS BROUGHT FORWARD</b>	 398,348	 409,346
 <b>RETAINED EARNINGS CARRIED FORWARD</b>	 <hr/> <hr/> 489,436	 <hr/> <hr/> 398,348

**SUSSEX POLICE FEDERATION JOINT BRANCH BOARD FUND**

**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016**

	<b>2016 Cost</b>	<b>Accumulated Depreciation/ Revaluation/ Impairment</b>	<b>2016 Net Book Value</b>	<b>2015 Net Book Value</b>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>TANGIBLE FIXED ASSETS</b>				
Computer Equipment	52,337	52,337	-	-
Office Equipment	96,675	96,167	508	677
	<u>149,012</u>	<u>148,504</u>	<u>508</u>	<u>677</u>
	<b>2016 Cost</b>	<b>2015 Cost</b>	<b>2016 Market Value</b>	<b>2015 Market Value</b>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>INVESTMENTS</b>				
Investments	214,686	210,977	254,069	221,612
	<u>214,686</u>	<u>210,977</u>	<u>254,069</u>	<u>221,612</u>
<b>CURRENT ASSETS</b>				
Stock			3,211	3,753
Contributions due from Joint Central Committee (Note 4)			74,715	30,811
Debtors			4,478	4,658
Cash at Bank and in Hand			173,452	166,477
			<u>255,856</u>	<u>205,699</u>
<b>CURRENT LIABILITIES</b>				
Corporation Tax			1,443	1,095
Deferred Tax			7,876	2,127
Sundry Accrued Expenses			11,678	26,418
			<u>20,997</u>	<u>29,640</u>
<b>NET CURRENT ASSETS / (LIABILITIES)</b>			<u>234,859</u>	<u>176,059</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			489,436	398,348
<b>CREDITORS: Amounts Falling Due After More Than One Year</b>				
			-	-
<b>NET ASSETS</b>			<u>489,436</u>	<u>398,348</u>
<b>REPRESENTED BY</b>				
Retained Earnings			489,436	398,348
			<u>489,436</u>	<u>398,348</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

**SUSSEX POLICE FEDERATION 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)	5,869	5,417
Annual Conference	4,069	11,798
Audit and Accountancy Charges	9,447	8,460
Bank Charges	257	42
Clerical Assistance and Social Security Costs	75,592	82,822
Communication	3,145	2,866
Computer Consumables	10,244	11,099
Corporation Tax	1,973	1,812
Depreciation	169	528
Donations	802	3,056
Hospitality	-	-
Incidental Overnight Expenses	260	605
Insurance	1,237	1,301
Meeting Expenses	15,863	19,124
Official Publications	495	1,272
Postage, Printing and Stationery	748	4,926
Repairs and Maintenance	-	763
Subsistence (Meal Expenses)	-	-
Sundry Expenses	2,450	2,541
Travel	19,866	23,796
Other Expenses -		
Advertising and media costs	-	46,660
Equipment Hire	3,050	6,175
Legal and Professional	2,865	1,378
Presentations and Gifts	2,390	1,446
Training	1,545	6,250
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<b><u>162,336</u></b>	<b><u>244,137</u></b>
	2016 £	2015 £
<b>1.1 OTHER INCOME</b>		
Bank Interest (Gross)	253	349
Reimbursement of administration costs	27,555	23,699
Dividends Received	4,238	4,099
Advertising	-	1,475
Commission	2,178	1,644
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<b><u>34,224</u></b>	<b><u>31,266</u></b>
	2016 £	2015 £
<b>1.2 GAINS / (LOSSES)</b>		
Gain / (Loss) on Investments	-	-
<b>TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS</b>	<b><u>-</u></b>	<b><u>-</u></b>

**SUSSEX POLICE FEDERATION 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 7 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 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:

Computer Equipment	— 25% straight line basis
Office Equipment	— 25% reducing balance 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 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)**

**SUSSEX POLICE FEDERATION 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	35,828	13,814
Sergeants	28,918	12,706
Inspectors	9,969	4,291
	<u>74,715</u>	<u>30,811</u>

**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	1,895	2,059	90	94	31	17
Sergeants	388	423	16	14	4	-
Inspectors/Chief	-	-	-	-	-	1
Inspectors	172	170	-	1	-	-
	<u>2,455</u>	<u>2,652</u>	<u>106</u>	<u>109</u>	<u>35</u>	<u>18</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	2015
	Market Value	Market Value
	£	£
Equities	-	-
Fixed Interest Funds	-	-
Unit Trusts	254,069	221,612
Others - (Specify)	-	-
	<u>254,069</u>	<u>221,612</u>



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

**7. 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 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		389,839
Restatement of Investments	1	10,636
Deferred Tax on Restatement of Investments	2	<u>(2,127)</u>
Restated Retained Earnings at 31 December 2015		<u>398,348</u>

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Deficit for the Year Ended 31 December 2015		(9,789)
Restatement of Investments	1	(1,513)
Deferred Tax on Restatement of Investments	2	<u>304</u>
Restated Surplus for the Year Ended 31 December 2015		<u>(10,998)</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 Income and Expenditure Account "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 Income and Expenditure Account.
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 Balance Sheet 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 Income and Expenditure Account.

**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).