

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 Mr N Smart
Federation Offices, Trennarren 3 Eastmoor Road, Wakefield

SECRETARY Mr G Maloney
Federation Offices, Trennarren 3 Eastmoor Road, Wakefield

TREASURER Mr C Grandison
Federation Offices, Trennarren 3 Eastmoor Road, Wakefield

AUDITORS KJA Kilner Johnson Limited
Chartered Accountants
Network House
Stubs Beck Lane
Cleckheaton
BD19 4TT

TRUSTEES Mr M Trueman
Mr A Coultate (retired 31 December 2015)
S Hanson
Mr A Farrell (appointed 1 January 2016)

INDEPENDENT AUDITOR'S 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: 

James Kilner BSc FCA
KJA Kilner Johnson Limited
Chartered Accountants & Statutory Auditors
Network House
Stubs Beck Lane
Cleckheaton
BD19 4TT

Dated: 31st January 2017

JOINT BRANCH BOARD FUND

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

	2016	2015
	£	£
INCOME		
Weekly Subscriptions		
Constables	897,435	946,705
Sergeants	147,715	154,448
Inspectors	65,970	70,287
	<hr/>	<hr/>
	1,111,120	1,171,440
 Less: Payable to Joint Central Committee 70%		
Constables	628,204	662,694
Sergeants	103,401	108,113
Inspectors	46,179	49,201
	<hr/>	<hr/>
	777,784	820,008
 TOTAL INCOME	 333,336	 351,432
 Less: ADMINISTRATIVE EXPENSES (Note 1)	 458,100	 573,441
	<hr/>	<hr/>
(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE	(124,764)	(222,009)
 Add: Other Income - (Note 1.1) To include all income as specified in Regulation 2c in the Police Federation (Amendments) Regulation 2015	 13,693	 22,641
	<hr/>	<hr/>
(DEFICIT) FOR THE YEAR BEFORE GAINS / (LOSSES)	(111,071)	(199,368)
 Gains / (Losses) - (Note 1.2)	 -	 -
 Value Adjustments on Investments	 59,460	 61,340
 Deferred Tax on Value Adjustments	 -	 -
	<hr/>	<hr/>
(DEFICIT) FOR THE YEAR	(51,611)	(138,028)
 RETAINED EARNINGS BROUGHT FORWARD	 2,209,866	 2,347,894
 RETAINED EARNINGS CARRIED FORWARD	 <u>2,158,255</u>	 <u>2,209,866</u>

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				
Office Equipment	39,338	29,086	10,252	15,047
Office Building	743,130	44,551	698,579	726,467
Computer Equipment	44,288	34,875	9,413	12,103
Fixtures and Fittings	67,467	39,651	27,816	26,062
Holiday Let Premises	434,308	25,089	409,219	249,328
	<u>1,328,531</u>	<u>173,252</u>	<u>1,155,279</u>	<u>1,029,007</u>
	2016 Cost	2015 Cost	2016 Market Value	2015 Market Value
	£	£	£	£
INVESTMENTS				
Investments	697,000	697,000	817,800	758,340
	<u>697,000</u>	<u>697,000</u>	<u>817,800</u>	<u>758,340</u>
CURRENT ASSETS				
Contributions due from Joint Central Committee (Note 4)			4,654	-
Cash at Bank and in Hand			207,076	440,363
Debtors			7,160	15,000
			<u>218,890</u>	<u>455,363</u>
CURRENT LIABILITIES				
Contributions due to Joint Central Committee (Note 4)			-	15,565
Corporation Tax			-	-
Deferred Tax			-	-
Sundry Accrued Expenses			33,714	17,279
			<u>33,714</u>	<u>32,844</u>
NET CURRENT ASSETS / (LIABILITIES)			<u>185,176</u>	<u>422,519</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,158,255	2,209,866
CREDITORS: Amounts Falling Due After More Than One Year			-	-
NET ASSETS			<u>2,158,255</u>	<u>2,209,866</u>
REPRESENTED BY				
Retained Earnings			2,158,255	2,209,866
			<u>2,158,255</u>	<u>2,209,866</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: 31st January 2017

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

	2016 £	2015 £
1. ADMINISTRATIVE EXPENSES		
Accommodation	20,115	20,019
Additional Responsibility Payments (Honoraria)	47,755	49,095
Annual Conference	13,259	16,981
Audit and Accountancy Charges	6,182	4,980
Bank Charges	513	209
Clerical Assistance and Social Security Costs	90,352	90,281
Communication	26,985	20,249
Computer Consumables	57,392	83,307
Corporation Tax	-	(3,953)
Depreciation	51,760	40,108
Donations	10,800	26,950
Holiday Home	20,259	11,684
Insurance	8,564	8,281
Meeting Expenses	19,172	18,969
Postage, Printing and Stationery	11,087	12,775
Premises Expenses	13,973	15,909
Repairs and Maintenance	10,674	18,915
Subsistence (Meal Expenses)	16,066	29,079
Sundry Expenses	724	20,030
Travel	24,848	30,429
Other Expenses		
Consultancy	6,361	13,858
Courses	(1,431)	31,179
Dinner Dance	155	1,724
Floral Tributes and Presentations	334	241
Legal	2,201	4,038
Loss on Disposal of Fixed Assets	-	8,104
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	458,100	573,441
	2016	2015
	£	£
1.1 OTHER INCOME		
Bank Interest (Gross)	235	1,026
Sale of Courses and Exhibition Stands	4,019	7,633
Commissions	9,439	13,982
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	13,693	22,641
	2016	2015
	£	£
1.2 GAINS / (LOSSES)		
Gain / (Loss) on Investments	-	-
TOTAL AS PER STATEMENT OF INCOME AND RETAINED EARNINGS	-	-

**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:

Office Equipment	— 20% straight line basis
Office Building	— 4% straight line basis
Computer Equipment	— 33% straight line basis
Fixtures and Fittings	— 20% straight line basis
Holiday Let Premises	— 2% or 4% 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.

**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	(1,706)	22,785
Sergeants	1,271	(2,313)
Inspectors	5,089	(4,907)
	4,654	15,565

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	3,682	3,731	222	145	-	-
Sergeants	572	596	17	16	-	-
Inspectors/Chief	198	212	11	3	-	-
Inspectors	59	60	7	8	-	-
	4,511	4,599	257	172	-	-

* 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

	2016 Market Value £	2015 Market Value £
Unit Trusts	817,800	758,340
	817,800	758,340

**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		2,148,526
Restatement of Investments and Investment Properties	1	61,340
Deferred Tax on Restatement of Investments and Investment Properties	2	-
Restated Retained Earnings at 31 December 2015		<u>2,209,866</u>

Restated Statement of Income and Retained Earnings

	Explanation	£
Original Surplus / (Deficit) for the Year Ended 31 December 2015		(199,368)
Restatement of Investments and Investment Properties	1	61,340
Deferred Tax on Restatement of Investments and Investment Properties	2	-
Restated Surplus / (Deficit) for the Year Ended 31 December 2015		<u>(138,028)</u>