

**POLICE FEDERATION**

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

**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2015**

**F45  
MM / 2015**

**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**

**YEAR ENDED 31ST DECEMBER 2015**

**CHAIRMAN**

K Mackaill      resigned 30/04/2015  
R Yeomans      appointed 30/04/2015

**SECRETARY**

J Harrison

**TREASURER**

J Harrison

**AUDITORS**

The Richards Sandy Partnership Limited  
Chartered Certified Accountants  
Thorneloe House  
25 Barbourne Road  
Worcester  
WR1 1RU

**TRUSTEES**

I Williams  
M Palmer  
P Lowe  
P Franks

All of the above officials and trustees may be contacted care of:

Police Federation Office  
United House  
De Salis Drive  
Hampton Lovett  
Droitwich  
WR9 0QE

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**

We have audited the consolidated financial statements of the West Mercia Police Federation Joint Branch Board Fund for the year ended 31st December 2015, which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. The financial statements have been prepared under the requirements of the Police Federation Regulations and Fund Rules.

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 2015 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.

We have undertaken the audit in accordance with the requirements of the APB Ethical Standards including APB Ethical Standard - Provisions Available for Smaller Entities, in the circumstances set out in note 9 to 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 2015 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 2015 includes all funds raised for the purpose of the Joint Branch Board Fund in accordance with Regulation 2 Police Federation (Amendment) Regulations 2015.



Rob Richards (Senior Statutory Auditor)  
For and on behalf of The Richards Sandy Partnership Limited  
Thorneloe House  
25 Barbourne Road  
Worcester  
WR1 1RU

Date: 10/02/2016

**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**

**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2015**

<b>INCOME</b>	<b>Notes</b>	<b>(01.01.15 - 31.03.15)</b>	<b>(01.04.15 - 31.12.15)</b>	<b>2015 £</b>	<b>2014 £</b>
Weekly Subscriptions					
Constables		96,743	389,568	486,311	380,930
Sergeants		19,357	-	19,357	77,710
Inspectors		7,596	-	7,596	30,924
				<u>513,264</u>	<u>489,564</u>
		<b>(01.01.15 - 31.03.15)</b>	<b>(01.04.15 - 31.12.15)</b>		
Less: Payable to Central/Joint Committee					
Constables		(67,720)	(272,698)	(340,418)	(266,651)
Sergeants		(13,550)	-	(13,550)	(54,397)
Inspectors		(5,316)	-	(5,316)	(21,646)
				<u>(359,284)</u>	<u>(342,694)</u>
<b>TOTAL NET INCOME</b>				153,980	146,870
Less: Administrative expenses	<b>2</b>			(221,777)	(189,968)
<b>(DEFICIT) OF SUBSCRIPTION INCOME OVER EXPENDITURE</b>				<u>(67,797)</u>	<u>(43,098)</u>
Add: Other Income					
Bank interest				2,287	5,401
Administration fee received				4,000	4,000
Contribution to conference costs				4,502	6,948
Commissions				83,310	93,451
Vouchers				8,024	7,315
Other income				1,542	3,345
<b>SURPLUS FOR THE YEAR BEFORE GAINS / (LOSSES)</b>				35,868	77,362
Gains / (Losses)				-	-
<b>SURPLUS FOR THE YEAR</b>				<u>35,868</u>	<u>77,362</u>
<b>ACCUMULATED FUND BROUGHT FORWARD</b>				1,334,481	1,257,119
<b>ACCUMULATED FUND CARRIED FORWARD</b>				<u>£ 1,370,349</u>	<u>£ 1,334,481</u>

**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**

**CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER 2015**

	Notes	Cost	Accumulated Depreciation/ revaluation/ Impairment	2015 £ Net book value	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	7	481,322	(89,942)	391,380	397,870
Investments	8	556,440	-	556,440	406,440
		<u>1,037,762</u>	<u>(89,942)</u>	<u>947,820</u>	<u>804,310</u>
<b>CURRENT ASSETS</b>					
Subscriptions Due			-		-
Cash at Bank and in Hand			462,525		563,362
Others					
West Mercia Police - accommodation			4,752		-
Loans to members			35,050		22,050
Vouchers held					4,502
Prepayments					
- IT support			1,775		1,870
- Insurance			2,334		1,757
- Alarms			639		
- Advanced expenses			1,076		
			<u>508,151</u>		<u>593,541</u>
Less:					
<b>CURRENT LIABILITIES</b>					
Contributions due to Committee	3		72,484		55,893
Corporation Tax			1,902		2,169
PAYE/National Insurance			1,334		-
Trade Creditors			2,432		2,487
Loan from Band Sales			200		-
Sundry Accrued Expenses					
- Accountancy			4,704		2,821
- Martis Media			1,500		
- Expenses paid after date			1,066		
			<u>85,622</u>		<u>63,370</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>				<u>422,529</u>	<u>530,171</u>
<b>NET ASSETS</b>				<u>£ 1,370,349</u>	<u>£ 1,334,481</u>
<b>REPRESENTED BY</b>					
Accumulated Fund				1,370,349	1,334,481
				<u>£ 1,370,349</u>	<u>£ 1,334,481</u>

These accounts have been prepared in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008).

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.

The financial statements were approved by the Board on 10/2/16. and signed on its behalf by

Chairman - R Yeomans

Treasurer - J Harrison

**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2015**

**1.1 Accounting Convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008).

**1.2 Income**

Income is primarily derived from subscriptions collected from the Funds members. Other income sources include investment income. Subscription income represents amounts receivable by the Fund for the accounting period.

**1.3 Expenditure**

Expenditure is shown inclusive of Value Added Tax.

**1.4 Depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:-

Leasehold properties	- Straight line over the life of the lease
Furniture and fittings	- 15% reducing balance

**1.5 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.

**1.6 Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value.

	2015	2014
<b>2. ADMINISTRATIVE EXPENSES</b>		
Annual Conference	8,456	10,919
Audit and Accountancy Charges	6,338	5,658
Bank Charges	40	-
Clerical Assistance and Social Security Costs	61,285	62,253
Computer Consumables	90	-
Corporation Tax	2,294	3,213
Depreciation & amortisation	10,090	10,488
Donations		
- Scottish Police Federation	-	500
- Police Roll of Honour		5,000
- Pancreatic Cancer	500	
- Julia's House	100	
- Memorial Day	20	
Honoraria	17,862	19,136
Insurance	2,927	3,067
Meeting Expenses	1,451	2,638
Official Publications	27,211	-
Out-of-Pocket Expenses	395	660
Postage, Printing and Stationery	69	1,393
Repairs and Maintenance	16,038	790
Sundry Expenses	671	1,846
Telephone Charges	4,028	2,143
Travelling and Subsistence	31,233	33,437
Other Expenses		
- Seminars/conferences	2,140	830
- Retirement & other gifts	3,746	1,749
- Vouchers	12,047	6,772
- IT support	4,616	4,368
- Professional fees	250	7,449
- Subscriptions	1,115	1,062
- Annual Charity Dinner (net expense)	6,765	4,597
<b>TOTAL AS PER INCOME AND EXPENDITURE ACCOUNT</b>	<u>£ 221,777</u>	<u>£ 189,968</u>

**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**  
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**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.

In so far as the Committee is aware;

- There is no relevant audit information of which the Auditors are unaware; and
- The committee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**4. Contributions due to/(from) central committees**

	(01.01.15 - 31.03.15)	(01.04.15 - 31.12.15)	2015	2014
Constables	10,720	57,597	68,317	38,651
Sergeants	3,050	-	3,050	12,396
Inspectors	1,117	-	1,117	4,846
	<u>£ 14,887</u>	<u>£ 57,597</u>	<u>£ 72,484</u>	<u>£ 55,893</u>

**5. Contributing and non-contributing members at 31 December 2015**

	No. of Contributing Members		No. of Non Contributing Members		Others*	
	2015	2014	2015	2014	2015	2014
Cadets						
Constables	No data available	1,454	33	35	59	52
Sergeants		299	3	4	4	4
Inspectors/Chief		119	4	3	2	2
Inspectors						
		<u>-</u>	<u>40</u>	<u>42</u>	<u>65</u>	<u>58</u>
		<u>1,872</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)

**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2015**

**6. Operating surplus**

	2015	2014
Operating surplus is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	£ 10,090	£ 10,488

**7. Tax on profit on ordinary activities**

	2015	2014
Analysis of charge in period		
<b>Current tax</b>		
UK corporation tax	£ 2,294	£ 3,213

**8. Tangible Fixed Assets**

	Long leasehold property £	Fixtures, fittings & equipment £	Improvement to leasehold property £	Total £
<b>Cost</b>				
At 1 January 2015	246,671	85,397	145,654	477,722
Additions		3,600	-	3,600
At 31 December 2015	<u>246,671</u>	<u>88,997</u>	<u>145,654</u>	<u>481,322</u>
<b>Depreciation</b>				
At 1 January 2015	16,443	53,700	9,709	79,852
Charge for the year	2,349	6,354	1,387	10,090
At 31 December 2015	<u>18,792</u>	<u>60,054</u>	<u>11,096</u>	<u>89,942</u>
<b>Net book values</b>				
At 31 December 2015	<u>227,879</u>	<u>28,943</u>	<u>134,558</u>	<u>391,380</u>
At 31 December 2014	<u>230,228</u>	<u>31,697</u>	<u>135,945</u>	<u>397,870</u>

The Fund purchased a headquarters building as a "long leasehold property" in the financial year 2008. The unexpired lease period is, as of 2015, 98 years.

**9. Fixed Asset Investments**

	Listed investments £	Total £
<b>Cost</b>		
At 1 January 2015	406,440	406,440
Additions	150,000	150,000
At 31 December 2015	<u>556,440</u>	<u>556,440</u>
<b>Net book values</b>		
At 31 December 2015	<u>406,440</u>	<u>406,440</u>
At 31 December 2014	<u>556,440</u>	<u>556,440</u>



**WEST MERCIA POLICE FEDERATION JOINT BRANCH BOARD FUND**  
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**FOR THE YEAR ENDED 31ST DECEMBER 2015**

**9.1 Fixed Asset Investments**

	2015	2014
Approximate Market valuation of listed investments	<u>£ 715,738</u>	<u>£ 549,133</u>

Investments are made into St James' Place Trustee Bonds and Unit Trust. Any additional £150,000 was invested in February 2015. The above valuation represents an the estimated market value at the year end.

If the investments were sold at their valuation, a tax charge not exceeding £31,860 (2014 - £28,539) would arise.

**10. Non audit services**

In common with other Funds of a similar nature and size we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements. We also use them to assist us with the payroll function.

**11. Related party transactions**

During the year the following payments were made to Board members as either reimbursement of expenses incurred or as honoraria payments. Only those members who received expenses or honoraria totalling £2,500 or more are shown.

The total payments made to Board members amounted to £58,729 (2014: £59,953) in the year (reimbursed expenses plus gross honoraria).

The Honoraria payments are shown gross.

	2015		2014	
	Expenses reimbursed £	Honoraria £	Expenses reimbursed £	Honoraria £
J Harrison	12,653	3,600	14,253	3,564
K Mackaill	3,014	1,666	9,694	3,300
N Mortimer	2,087	2,171	3,655	2,702
I Williams	1,123	2,729	1,413	2,702

During the year administrative fees of £4,000 (2014: £4,000) were recharged to West Mercia Police Welfare Fund. No balance was outstanding at the year end.