

NORTH WEST POLICE BENEVOLENT FUND

ACCOUNTS

For the year ended 31 DECEMBER 2016

CHARITY NUMBER: 503045



HALLIDAYS

MORE THAN JUST ACCOUNTANTS

**HALLIDAYS
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD**

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DRAFT 05/07/17

NORTH WEST POLICE BENEVOLENT FUND
TRUSTEES' ANNUAL REPORT
For the year ended 31 DECEMBER 2016

The North West Police Benevolent Fund is an unincorporated association, registered as a charity and governed by rules approved by the Charity Commissioners. This report has been prepared by the trustees of the Fund to conform to the requirements of the Charity Commissioners' Statement of Recommended Practice.

Trustees for the Charity

Chairman	J Graham	Chief Constable	Cumbria Constabulary
Secretary	J Smithies	Constable	Greater Manchester Police
Treasurer	K Davies	Constable	Cheshire Constabulary
V Chairman	P Singleton	Sergeant	Merseyside Police
	R Baines	Sergeant	Lancashire Constabulary
Members	S Bell	Inspector	Merseyside Police -To September 2016
	D Sim	Constable	Merseyside Police - From September 2016
	A Barton	Constable	Merseyside Police
	A Todd	Inspector	Cheshire Constabulary
	R Gallagher	Sergeant	Cheshire Constabulary
	A Taylor	Constable	Cheshire Constabulary
	J Roby	Inspector	Greater Manchester Police
	D Thornton	Constable	Greater Manchester Police
	R Lee	Constable	Greater Manchester Police -To September 2016
	C Trow	Sergeant	Greater Manchester Police -From December 2016
	A Cameron	Inspector	Lancashire Constabulary
	S Rothwell	Constable	Lancashire Constabulary
	J Ainsworth	Inspector	Lancashire Constabulary
	T Woods	Superintendent	Lancashire Constabulary - To January 2016
	E Thistlethwaite	Superintendent	Lancashire Constabulary – From January 2016
	K Lee	Superintendent	Greater Manchester Police
	K Cruger	Superintendent	Merseyside Police
	M Sutton		National Crime Agency
	D Johnston		National Crime Agency
	P Senior	Sergeant	Cumbria Constabulary
	M Plummer	Constable	Cumbria Constabulary
	E Armstrong	Sergeant	Cumbria Constabulary

N.A.R.P.O representatives

D Anderton	Merseyside Police
S Wilde	Greater Manchester Police
D O'Connor	Cheshire Constabulary
I Taylor	Lancashire Constabulary
K Rowley	Cumbria Constabulary

Co-opted Members (Non trustees)

Welfare Advisor

E Sykes	Greater Manchester Police Federation
P Kinsella	Merseyside Police Federation

Treasurer's Assistant

R Taylor

DRAFT 05/07/17

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Governance

All trustees are members of the Management Committee and are elected in accordance with Rule 4.

The Finance Sub Committee comprises the Chairman, Secretary, Treasurer and four other members selected from the separate represented bodies of the Management Committee. The Treasurer's Assistant completes this group as a co-opted member.

All payments made by the Fund must be authorised by the Management Committee and there are arrangements in place to deal with emergency situations under Rule 5(ii).

Periodic meetings take place, which comprise an Annual General Meeting; a quarterly finance meeting and a monthly management meeting under Rule 5.

The Charity's trustees are responsible for the preparation of financial statements for each financial year which give a true and fair view of the Charity's incoming resources and application of resources during the year and of its state of affairs at the end of the year. In preparing those financial statements the trustees have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements, and;
- prepared the financial statements on the going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safe guarding the Charity's assets and hence for taking reasonable steps for the prevention of fraud and breaches of law and regulations.

Methods for recruiting and training Trustees

The registered address of the Charity is

St Michael's lodge
Northcote Road
Langho
Lancashire
BB6 8BG

Bankers for the Charity are

National Westminster Bank Plc
Chester Branch
PO Box 8
Chester
CH1 1XA

Auditors for the Charity are

Hallidays
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Stockbrokers for the Charity are

UBS Laing and Cruikshank
Investment Management Limited
Broadwalk House
5 Appold Street
London
EC2A 2DA

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Objectives and activities

The current rules are those adopted in 2016 which formalised and regulated the activities of The Fund and its trustees. Copies of the rules are available on request from the Secretary to The Fund. The Trustees have considered the Charity Commission's guidance on public benefit.

The object of the North West Police Benevolent Fund (referred to hereafter in this report as "The Fund") is to assist Serving and Retired Officers of Cheshire Constabulary, Greater Manchester Police, Merseyside Police, Lancashire Constabulary, Cumbria Constabulary and the N.C.A. (formerly SOCA) and all previous police forces amalgamated within those constituent forces, together with their dependents, who find themselves in a situation of need and/or hardship. The Fund is also able to provide facilities for the relief of sickness or injury, through the provision of facilities for convalescence and rehabilitation.

The Fund, at the discretion of the trustees will also consider applications for assistance from officers and former officers of the above forces.

Membership & Donations

During 2016 the trustees set about the task of canvassing the membership to The Fund as to whether we were to continue with the arrangement of collecting a donation and then separating that donation and forwarding the respective suggested element onto the Police Treatment Centres and the St. George's Children's Fund as had been the agreed arrangement since The Funds' inception in 1974.

The primary reason for such a survey was to ascertain from the members themselves whether or not they wanted to continue with the current arrangement in line with potential future developments to all charities together with the decision made by the trustees of The Fund that if it was viable, to expand the current level of services offered to its members with the provision and building of a residential treatment centre within the current St. Michaels site.

Following that survey and several meetings, including meetings with both the CEO and trustees of the PTC the trustees of The Fund formally met to discuss and vote on such a decision which resulted in a motion to separate from the PTC and St. Georges Children's Fund to take effect if possible from the 1st August 2016.

The subsequent vote was a very close run thing and after an additional piece of work to ensure that all the correct funding and finances were in place to separate and build our own residential treatment centre the final decision was carried to separate.

I am pleased to say that the necessary work was undertaken and with the assistance of several trustees not to mention the work put in by each Forces relevant payroll department the separation of donations was successfully completed on 1st August 2016. For all those involved in that piece of work I am truly grateful.

The initial concern that all the charities would suffer from loss of membership as a result of the separation thankfully did not materialise. Both the PTC and The Fund lost no more than a hundred or so members each and for The Fund itself as I will highlight shortly the membership levels have maintained at an acceptable level through to the end of 2016.

At the time of the separation the Donation rate per member (serving officer) remained at **£9.52** per month which at the time provided an annual donation of **£114.24** per member to The Fund.

From that member's monthly donation, The Police Treatment Centre (PTC) received a donation from The Fund of **£1.30** per donor per week. That amounted to a total annual donation of **£67.60** to the PTC. The St Georges Police Children's Trust also received **£0.20** per donor per week. This gave an annual donation of **£10.40** per member of The Fund.

NORTH WEST POLICE BENEVOLENT FUND
TRUSTEES' ANNUAL REPORT
for the year ended 31 DECEMBER 2016
(continued)

Part of the decision to separate the charities and donations was due to the fact that for many years the monthly donation rate asked of each member to The Fund had risen in line with rises imposed by the PTC; yet no additional income was forthcoming from donations to The Fund. Therefore part of the trustees decision was that with the separation of the donations from 1st August, the monthly donation rate to The Fund would increase to **£5.46**. Prior to then The Fund received just **£3.03** per serving member per month that equated to just **69.7p** per week. That provided an annual donation of just **£36.24** per member. This very subject formed part of the membership survey and there were few queries as a result of that proposal.

Therefore from August 2016 the serving member's donation rate of **£5.46** equated to a weekly donation of **£1.26** which will provide an annual donation of **£65.52**. A significant rise but given the fact that all the membership was surveyed and the rational and potential benefits were fully explained there were few dissenting responses.

From this annual donation we manage all our activities as reported. Throughout 2016 the Treasurer continued to closely monitor both the membership levels and donations to the PTC to ensure that both our members and The Fund continue to receive value for money and these facts were duly reported back to the trustees.

The reduction in Police numbers continued through 2016 although at least in Cheshire there was still continued recruiting of new officers, however it highlighted that there has been a significant reduction nationally in Police Officer numbers which has not gone amiss in our region. This drop in numbers has had a knock-on effect of a reduction in serving members donating to The Fund. However for the third year running this has in part been offset by increasing members from the NCA and our retired and retiring colleagues choosing to continue to donate to The Fund during their retirement.

There is as always concern of the reality of a continued fall in members due to the further budget cuts on all public sector services and in particular the threat to Police Officer numbers however the Chancellors late autumn budget statement indicated a slowdown and in some places a cessation of such budget cuts. The Chief Officers in the Region will continue to monitor such financial constraints and will keep us informed of potential and envisaged staffing levels moving forward.

It is recognised that many officers have to make the difficult decision to, in times of financial restraint, look where to cut back on their expenditure and some will unfortunately choose to stop donating to the North West Police Benevolent Fund even though the actual savings are minimal.

As has been seen during 2016 I would ask that all trustees continue to actively assist us in encouraging those not donating or those seeking to leave The Fund, to continue to donate monthly to this charity through good use of information and marketing in the different Force Magazines, Social media outlets and word of mouth from our members which has certainly assisted our aims this last year.

An important message to our members who, due to financial pressures may consider withdrawing from The Fund is to educate them that their donation is deducted from the gross pay total before tax is applied. Therefore there is tax relief on the **£5.46** at the rate the member pays tax, the net result with regard to donations for a 20% tax payer, is that the actual savings if they choose not to donate is only **£4.37** per month, and for a 40% tax payer, **£3.28** per month. Pulling out of the North West Police Benevolent Fund only saves you the lower amount, not the actual deduction you see on your payslip.

At the end of 2016 the total number of donating serving officers from the 5 Constituent Forces stood at **12,241**, a reduction of only 482 members. Retired officers and NCA staff at the end of 2016 amounted to another **3,663** members, an increase 363. Therefore the total number of those donating at the end of 2016 was **15,904**.

This is actually only a very small decrease in donating members of just **119**. Given the separation of the charities, the continued erosion of officer numbers I think that this committee of trustee's have performed exceptionally well in promoting The Fund to maintain such membership levels and you should all be congratulated on that achievement.

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TRUSTEES' ANNUAL REPORT
for the year ended 31 DECEMBER 2016
(continued)

Police Treatment Centre.

As we separated from the Police Treatment Centres during 2016 I have decided this year not to include an annual table of officers and retired member members that attended for treatment at both treatment centres at Harrogate and Auchterarder.

There is however an inclusion in the 2016 accounts for such expenditure linked to attendance at both centres including the continued provision of the £20 payment to retired officers which was solely provided by Merseyside Branch Board and then later recouped from that Force.

During the first part of 2016, the trustees continued to carefully monitor the attendance of officers at both the PTC premises as well as the increased use to our day-patient facilities within the Region.

St. Michaels Lodge & Day Patient Physiotherapy

As reported in previous trustee reports The Fund has strived to extend the physiotherapy services throughout the region to all our members and during 2016 we operated day-patient treatment facilities at Merseyside Police Headquarters and at Progress House, the GMP Police Federation facility. Treatment was also provided at Cheshire Constabulary Headquarters at Winsford, as a reciprocal agreement between The Fund and the Constabulary whereby the Constabulary provide an annual donation to The Fund. This recognises our expertise whereby The Fund is the main provider of Physiotherapy treatment to Cheshire Officers and Staff, the Lancashire facility is at St. Michael's Lodge.

During 2016 our highly skilled team of physiotherapist namely Christine Holmes, Debbie Fagan, Patrick Hoyte, Dean Matkin, Nina Walkingshaw and Shaun Fieldhouse have provided the necessary treatment to an ever increasing number of members from all Forces and we should recognise the continued positive feedback given for the fantastic service they provide for our members.

As for the use of and management of such numbers of members utilising our in-house day patient facilities I have provided the following breakdown. Please note that Cheshire has two sets of figures as they provide treatment to Police Staff as a result of the agreement with that Force who provide an annual donation to The Fund for that service provision. At the end of 2016 a similar agreement was also reached with Merseyside Police.

Date	Merseyside	Lancashire	Cumbria	Cheshire*	GMP	NCA
January	2	16	0	14 / 0	4	1
February	8	23	0	15 / 1	6	0
March	11	29	0	15 / 0	9	0
April	9	27	0	13 / 2	10	0
May	10	21	0	16 / 1	8	0
June	9	27	0	15 / 2	11	0
July	10	33	0	9 / 1	11	2
August	6	35	0	15 / 1	9	1
September	17	20	0	17 / 1	13	1
October	14	45	0	12 / 0	12	0
November	5	19	0	19 / 0	8	2
December	4	27	0	12 / 0	9	0
Total	105	322	0	172 / 9	110	5

*denotes Cheshire support staff

The total number of new applications for serving and retired members requiring Physiotherapy across the whole area was **723**. That truly is a significant number of patients.

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Cumbria Police Federation continued during 2016 in their negotiations with their Constabulary to purchase their own property which was successful (hence the inclusion of them in the table) and their recently opened premises now includes the same level of treatment in brand new state of the art facility as is available throughout the rest of the region. I look forward to presenting the figures for the 2016 usage of that facility next year.

Usage and numbers will be carefully monitored during 2016 as this will form the basis of any future service levels as part of the brand new development at St Michael's Lodge.

The number of bookings at St Michael's Lodge continues to increase with both local Federations and NARPO using the facilities for Regional and Federation meetings.

Our extended thanks goes to all our staff at St. Michaels especially our Manager Ged Wright and our Facilities Manager, Trish Davies for their continued input to The Fund, which often extends well beyond their roles and duties.

The intention of The Fund is to further improve what we can offer our members.

Performance & Expenditure

Death Benefits

The Fund continues to make an award of £5,000 as a Death Benefit Grant which although no substitute for the loss of a loved one is a timely payment to assist in the ever increasing costs involved. The Fund will make every effort to make this payment within 48hrs of notification.

Unfortunately there were 6 recorded deaths during 2016, the agreed death benefit payment being made to all. Total paid out in benefits was **£30,000**

Assistance

In the year covered by the accounts, there were a total of 50 applications for assistance to The Fund which compared to 86 the previous year is a reduction.

Of these only 3 applications were refused and 1 application was withdrawn

Of those approved 21 were for Loans, 5 were Part Loan/Part Grant and 20 were Grants.

A breakdown of applications per force is as follows:

Cheshire	7 Applications – 1 Loan / 6 Grants (part or otherwise)
GMP	18 Applications – 8 Loans /10 Grants --/--
Merseyside	12 Applications – 9 Loans / 3 Grants --/--
Lancashire	11 Applications – 5 Loans / 6 Grants --/--
Cumbria 2	Applications – Both loans
N.C.O.A.	0 Applications

To highlight the good work of The Fund the total cash amount given in grants was **£74,339** and the total amount in loans was **£58,583**. The total amount awarded being **£132,922**.

During 2016, the Treasurer and the Treasurers assistant continued chasing up the few remaining bad debtors with some degree of success resulting in the commencement of some payment for outstanding loans.

Unfortunately there was also a small number converted to grants, at the discretion of the committee when it was clear there was no real possibility of any repayment to the outstanding debt.

Nearly all bad debtors carried over into 2016 have been addressed and have either started repayment, had a loan converted to a grant or at the discretion of the trustees remained in a position of awaiting a final decision.

NORTH WEST POLICE BENEVOLENT FUND
TRUSTEES' ANNUAL REPORT
for the year ended 31 DECEMBER 2016
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The majority of those loans carried forward into 2016 were ones where a committee decision was taken for full repayment once an officer left the service via the H1 process. As detailed within the Statement of Financial Activities our outstanding Loans, after provision for potential bad debts, as of 31st December 2016 was **£243,769**.

Lodges

At the end of 2016 The Fund owned 13 Lodges. Four (4) lodges are located in Carnforth, Lancashire and nine (9) lodges at White Cross Bay in Windermere, Cumbria. These lodges are available, circumstances permitting, free of charge for convalescent and respite purposes for members and their immediate family in need of rest and recuperation. More cases of respite are being brought to the Fund due in part to the increasing cases of stress/anxiety and other mental health issues. It is recognised that as part of a clinical intervention a respite break can assist those officers and family members in preventing further harm or sick leave taking place as a result. The Fund also offers out those lodges that are not being used for convalescence/respite purposes for short breaks to members and their immediate families for a variety of personal reasons and the money received is used to partly offset the running costs of all the lodges. Convalescence/Respite breaks are generally booked up to a maximum four day period.

The lodges were used a total of **257** times for convalescence/short breaks, against **253** in 2015, unfortunately many breaks had to be cancelled due to the floods suffered in the Cumbria area and sadly our lodges did not escape the flood damage. This still shows that a significant number of our members need to have a facility offering them somewhere that they can go to convalesce or get away from the pressures of work/life as well as an affordable period of time away. During 2016 we continued to improve our facilities with the increased maintenance and replacement of bathrooms at both Carnforth and White Cross Bay. The committees' thanks must go in no small way to our employee Mr Paul Kelly and the cleaning team that we have sub contracted who have kept up their commitment to the Fund in their attending and presentation of the Lodges for our members.

A special thank you must also go to the Funds' secretary Jackie Smithies who yet again has shown her fortitude in the purchase of both new and replacement items at the Lodges at substantially reduced costs which, is an ultimate saving to the Fund.

Financial review / risk management / reserves

The review of the transactions and financial position of the fund is contained in this report at 'Statement of Financial Activities' the purpose for which the assets are being held is contained at 'the Fund explained' sections. All investments held by the charity have been acquired with the powers available to the trustees. Investment Powers are explained in Rule 8.

During 2016 the Treasurer continued to ensure that The Fund managed its finances based on current and expected levels of membership together with incoming donations in line with the 5 year plan as provided to The Fund in 2011 by Ian Maxwell (SRPI Management Consultants).

I can report that 2016 has been another good year with no areas of the accounts in deficit. Apart from income from membership, income from members donations has continued and been bolstered as a result of continued private donations which are mentioned elsewhere in this report. We also have a number of regular donators to The Fund and for that continued support we are very grateful.

However, the trustees are aware that the charity is in a period when a significant number of members may choose to retire as well as taking note of the proposed reform of the Police Service currently underway by this government which would reduce the numbers of serving officers and therefore impact on the numbers of available members to The Fund.

This is being closely monitored in an effort to maintain as high a level of membership as is currently enjoyed.

All Forces have continued their approach to our retired colleagues with a view to continuing to make a voluntary but reduced contribution of just **£4** to the North West Police Benevolent Fund. In addition those Officers entering retirement are being informed of the fact that should they wish to continue benefitting from everything that The Fund offers they can do

NORTH WEST POLICE BENEVOLENT FUND
TRUSTEES' ANNUAL REPORT
for the year ended 31 DECEMBER 2016
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so by donating to The Fund directly from their pension within Cheshire, GMP, Lancashire, Cumbria and Merseyside and retain their tax relief. That £4 donation after 20% tax equates to just £3.20. As of 31st December 2016 The Fund was holding sufficient cash deposit balances in all our accounts to adequately fulfil all of the obligations of the charity.

The Finance sub-committee met on four occasions during 2016 and continued to be vigilant to ensure that the funds are not adversely exposed to risk, and that appropriate steps were taken to ensure the Committee are fully informed of any facts which may be of cause for concern. Our Stockbrokers at UBS Wealth Management continued to monitor our portfolio of investments and the charity extends our thanks to them in this effort.

The level of reserves held by The Fund of £6,287,692 (2015: £6,040,846) is considered to be robust enough to meet all envisaged contingencies that may affect The Fund including the future building proposals that had been agreed at the end of 2016. The level of reserves is detailed within the accounts. The levels of reserves shown are required to meet the present and future needs of The Fund, which by the very nature of The Fund are somewhat unpredictable.

Investment policy

Our Investment objective is to have a balance between capital growth and income which, over the long run, will endeavour to maintain the real value of the assets.

Investment Strategy

The investment objective is to be achieved by investment in a balanced portfolio, which can include equities, fixed interest securities and cash, with a medium risk profile. Exposure to "alternative investments" such as hedge funds, structured investments and property funds will also be permissible.

Plans for Future Periods

Review

In order to monitor progress, UBS Wealth Management (UK) Ltd. provide a valuation report every 6 months (lesser intervals if there is sufficient fluctuation in the markets) to correspond with The Fund's year end as well as providing other updates based on market issues. During 2016 I received many updates due to the fluctuating global issues. As part of The Funds' 5 year plan a different method of producing a Valuation Report was adopted. Figures showing the capital performance and a range of indices including the FT All Share Index will be included within these valuation reports. The trustees have during 2016 periodically considered whether there is a need to revise the Investment Policy Statement. As a result issues were brought to the attention of UBS Wealth Management (UK) Ltd. which as will be reported provided further assurances for our portfolio.

Thanks must also be given to the ongoing support given by the Chief Constables and the Police Federations of the constituent forces for facilities allowed in order that the business of The Fund can be conducted.

Finally I wish to add my heartfelt thank you to my Treasurers Assistant Bob Taylor for all his help, assistance and unwavering support, most of which goes on behind the scenes without anyone's but my own knowledge, in his continual efforts to support both me and The Fund.

Approved by the Board of Trustees on 20th July 2017 and signed on its behalf by:

Kenneth Davies

Honorary Treasurer

NORTH WEST POLICE BENEVOLENT FUND
INDEPENDENT REPORT OF THE AUDITORS TO THE TRUSTEES OF
NORTH WEST POLICE BENEVOLENT FUND
For the year ended 31 DECEMBER 2016

We have audited the financial statements of North West Police Benevolent Fund for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 (APB'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 charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December, 2016 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

NORTH WEST POLICE BENEVOLENT FUND
INDEPENDENT REPORT OF THE AUDITORS TO THE TRUSTEES OF
NORTH WEST POLICE BENEVOLENT FUND
For the year ended 31 DECEMBER 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit under regulation 33.

Chartered Accountants and Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Hallidays is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date: 20th July 2017

NORTH WEST POLICE BENEVOLENT FUND
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 DECEMBER 2016

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2016</u> <u>Total</u> <u>£</u>	<u>2015</u> <u>Total</u> <u>£</u>
INCOME:					
Income from charitable activities					
Members contributions		742,731	-	742,731	1,181,607
Incoming resources from generated funds					
Other Incoming Resources	3	217,359	-	217,359	221,340
Donations and Gifts	4	223,173	1,124	224,297	183,476
Investment income		23,357		23,357	31,498
TOTAL INCOMING		1,206,620	1,124	1,207,744	1,617,921
RESOURCES EXPENDED					
Cost of generating funds:					
Charitable Activities	5	876,318	-	876,318	1,359,479
Other		1,913	-	1,913	8,008
TOTAL EXPENDITURE		878,231	-	878,231	1,367,487
Net gain/(losses) on investments	8	39,744	-	39,744	(3,588)
NET INCOME/EXPENDITURE AND NET MOVEMENT IN FUNDS FOR THE YEAR		368,133	1,124	369,257	246,846
Balances brought forward at 1 January 2016		6,254,662	33,030	6,287,692	6,040,846
Balances carried forward at 31 December 2016		6,622,795	34,154	6,656,949	6,287,692

NORTH WEST POLICE BENEVOLENT FUND
BALANCE SHEET
As at 31 DECEMBER 2016

	Note	£	<u>2016</u>	£	£	<u>2015</u>	£
FIXED ASSETS							
Tangible fixed assets	7		4,183,513			2,879,572	
Investments	8		845,047			522,404	
			<hr/>			<hr/>	
			5,028,560			3,401,976	
CURRENT ASSETS							
Debtors	9	443,247			577,139		
Cash at bank and in hand		1,227,217			2,316,917		
		<hr/>			<hr/>		
		1,670,464			2,894,056		
CREDITORS:							
Amounts falling due within one year	11	42,075			8,340		
		<hr/>			<hr/>		
NET CURRENT ASSETS			1,628,389			2,885,716	
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>			<hr/>	
			6,656,949			6,287,692	
FUNDS							
Restricted	12		34,154			33,030	
Unrestricted	13		6,622,795			6,254,662	
			<hr/>			<hr/>	
			6,656,949			6,287,692	

Approved by the Board of Trustees on 20th July 2017 and signed on its behalf by:

I Leyland
Vice Chairman

K Davies
Honorary Treasurer

Charity Registration No. 503045

NORTH WEST POLICE BENEVOLENT FUND
STATEMENT OF CASH FLOWS
For the year ended 31 DECEMBER 2016

	<u>Note</u>	<u>Total Funds</u> <u>2016</u> <u>£</u>	<u>Prior Year</u> <u>2015</u> <u>£</u>
Net cash used in operating activities	15	528,153	279,895
Cash flows from investing activities			
Interest and dividends		23,357	31,498
Purchase of tangible fixed assets		(1,358,311)	(200,694)
Proceeds from sale of investments		348,493	852,086
Purchase of investments		(631,392)	(299,880)
Net cash provided by investing activities		(1,617,853)	383,010
Change in cash and cash equivalents in the year		(1,089,700)	662,905
Cash and cash equivalents brought forward		2,316,917	1,654,012
Cash and cash equivalents carried forward		1,227,217	2,316,917

NORTH WEST POLICE BENEVOLENT FUND
NOTES TO THE ACCOUNTS
For the year ended 31 DECEMBER 2016

1 ACCOUNTING POLICIES

a) Basis of Preparation

- i) These accounts combine the accounts of all funds and branches which are governed by the terms set out in the Fund's rule book as adopted in 2011 which formalised and regulated the activities of The Fund and its trustees. Copies of the rules are available on request from the Secretary to The Fund.
- ii) These accounts have been prepared under the historical cost convention with the exception of investments which are valued at market value.
- iii) The recommendations of FRS 102, the Charities SORP 2015 and the Charities Act 2011 have been followed in the preparation of these accounts.
- iv) The fund constitutes a public benefit entity as defined by FRS 102

b) Going Concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

c) Transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required and there has been no change to the opening balances and net income/(expenditure) for the year.

b) Fund Accounting

The Charity's general funds consist of funds which the Charity may use for its purposes at its discretion.

c) Incoming Resources

- i) Contributions
Contributions from members are included in income on a receivable basis taking account of both the contribution itself and the contribution supplement.
- ii) Voluntary Income
All voluntary income is included as income on receipt except where the donor requires the sum to be invested to provide income for the Charity's purposes, in which case it is treated as an endowment.
- iii) Investment Income
Dividends, including the associated tax credits, are credited to the income and expenditure account on a receivable basis.

Interest is accrued on a daily basis and is credited on this basis to the income and expenditure account.

d) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. It is considered that all costs can be directly attributed to particular headings without the need for apportionment.

- i) Costs of generating funds
Costs of generating funds relate to the promotional work undertaken in the year to enhance the charities standing.
- ii) Charitable activities
Costs of charitable activities include the three main areas of charitable giving – financial assistance, convalescence within NPCTC and use of the lodges.
- iii) Governance costs
Governance costs comprise all costs involving the public accountability of the charity and its compliance regulation and good practice.

NORTH WEST POLICE BENEVOLENT FUND
NOTES TO THE ACCOUNTS
For the year ended 31 DECEMBER 2016

1 ACCOUNTING POLICIES (continued)

e) Fixed Assets and Depreciation

Fixed assets are included at cost less depreciation which is provided on the leasehold property and fixtures and fittings at the Pine Lodges and the Lodges in Cumbria on a straight line basis to write off over the period of the lease/licence of 50 years. Subsequent purchases of fixture and fittings are dealt with on a renewals basis and other equipment is included in the Statement of Financial Activities as incurred. Freehold property is depreciated at 1% per annum on a reducing balance basis.

f) Fixed Asset Investments

Investments are included in the accounts at fair value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

g) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase cost if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (purchase cost if later). Realised and unrealised gains are combined in the Statement of Financial Activity

2 INVESTMENT INCOME

	2016	2015
	£	£
Gross income from investments in the UK	17,855	25,301
Bank interest	5,502	6,197
	<u>23,357</u>	<u>31,498</u>

3 OTHER INCOME

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
National Police Fund Grant	5,000	-	5,000	5,000
Lodges, South Lakeland	18,830	-	18,830	38,857
Lodges, White Cross Bay	133,491	-	133,491	117,350
St Michaels	10,038	-	10,038	10,133
Cheshire Physio	25,000	-	25,000	25,000
Merseyside Physio	25,000	-	25,000	25,000
	<u>217,359</u>	<u>-</u>	<u>217,359</u>	<u>221,340</u>

4 DONATIONS AND LEGACIES

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Pensioners	163,972	-	163,972	132,936
N.C.A.	33,036	-	33,036	26,253
Members of the public and other small donations	21,854	-	21,854	19,780
Gift Aid	4,311	-	4,311	-
In Memory of Fiona & Nicola	-	1,124	1,124	4,507
	<u>223,173</u>	<u>1,124</u>	<u>224,297</u>	<u>183,476</u>

NORTH WEST POLICE BENEVOLENT FUND
NOTES TO THE ACCOUNTS
For the year ended 31 DECEMBER 2016

5 CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Grants				
-Serving Officers	54,809	-	54,809	22,749
-Pensioners	19,530	-	19,530	26,639
-Deaths	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>55,000</u>
	<u>104,339</u>	<u>-</u>	<u>104,339</u>	<u>104,388</u>
Grants				
-Cumbria physiotherapy	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Grants paid for attendances at convalescent homes:				
-Serving officers	3,120	-	3,120	2,920
-Pensioners	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,400</u>
	<u>3,120</u>	<u>-</u>	<u>3,120</u>	<u>4,320</u>
Christmas grants:				
-Pensioners and Widows	<u>250</u>	<u>-</u>	<u>250</u>	<u>-</u>
Contributions to:				
-PTC Convalescent home	-	-	-	519,046
-St George's Children's Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,456</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>598,502</u>
Loans written off and provided for:	<u>28,605</u>	<u>-</u>	<u>28,605</u>	<u>(605)</u>
St Michaels:				
-Furnishings and maintenance	10,191	-	10,191	34,300
-Services and insurance	23,009	-	23,009	20,935
-Depreciation	12,285	-	12,285	10,570
-Caretaker's salary and expenses	102,372	-	102,372	93,441
-Physiotherapy staff	137,912	-	137,912	110,715
-Physiotherapy supplies	19,894	-	19,894	12,647
-Catering Supplies	3,997	-	3,997	5,104
-Admin	5,500	-	5,500	2,840
-Land Rental fees	15,500	-	15,500	1,879
-Counsellors services	17,192	-	17,192	7,853
Lodges, White Cross Bay:				
-Furnishings and maintenance	104,154	-	104,154	50,601
-Services and insurance	90,206	-	90,206	77,576
-Depreciation	25,844	-	25,844	25,643
-Caretaker WXB	21,733	-	21,733	20,629
Lodges, South Lakeland:				
-Furnishings and maintenance	26,667	-	26,667	41,503
-Services and insurance	41,020	-	41,020	29,447
-Depreciation	16,242	-	16,242	16,156
Committee expenses	6,429	-	6,429	147
Secretary – honoraria	3,000	-	3,000	3,000
Governance costs:	49,033	-	49,033	39,046
-Audit	6,000	-	6,000	6,600
-Other services	1,824	-	1,824	2,242
	<u>740,004</u>	<u>-</u>	<u>740,004</u>	<u>564,986</u>
	<u>876,318</u>	<u>-</u>	<u>876,318</u>	<u>1,311,591</u>

NORTH WEST POLICE BENEVOLENT FUND
NOTES TO THE ACCOUNTS
For the year ended 31 DECEMBER 2016

CHARITABLE ACTIVITIES (Continued)

There were a total of 24 grants made to serving officers/pensions and 6 were made on death.

The caretakers' costs relate to gross pay £107,588; employers national insurance £5,663 and expenses of £10,855. The physio staff costs relate to gross pay £126,879; employers national insurance £11,033; and expenses of £nil.

The grants paid for attendances at convalescent homes during the year were £3,120 (2015: £4,320).

The committee expenses included in governance costs, totalling £ 6,429, include expenditure paid to trustees totalling £4,676. These expenses relate to travel, subsistence and telephone. The number of trustees receiving such expenses was 3.

The trustees neither received nor waived any emoluments during the year (2015 - £nil).

The salary and expense relate to the Treasurer's Assistant and are allocated – gross pay £13,566; employers national insurance £565 and expenses of £1,100.

No employee received emoluments of more than £60,000 during the year.

The insurance of £786 (2015 - £774) included in governance costs relates to premiums paid to indemnify the trustees and other officers against the consequences of any neglect on their part.

NORTH WEST POLICE BENEVOLENT FUND
NOTES TO THE ACCOUNTS
For the year ended 31 DECEMBER 2016

7 TANGIBLE FIXED ASSETS

	Freehold property	Leasehold/ licenced property	Fixtures and fittings	Total
	£	£	£	£
COST				
At 1 January 2016	1,181,617	2,058,025	110,718	3,351,160
Additions	1,353,316	-	4,995	1,358,311
At 31 December 2016	2,534,933	2,058,825	115,713	4,709,472
DEPRECIATION				
At 1 January 2016	92,407	369,208	9,973	471,588
Charge for the year	10,892	41,177	2301	54,370
At 31 December 2016	103,299	410,385	12,274	525,958
NET BOOK VALUES				
At 31 December 2015	1,089,211	1,689,616	100,745	2,879,572
At 31 December 2016	2,431,634	1,648,440	103,439	4,183,513

NORTH WEST POLICE BENEVOLENT FUND
NOTES TO THE ACCOUNTS
For the year ended 31 DECEMBER 2016

8 INVESTMENTS

Listed Investments
£

Balance at 1 January 2016	522,404
Additions	631,392
Disposal proceeds	(348,493)
Market value adjustments	39,744
	<hr/>
Balance at 31 December 2016	845,047
	<hr/>

Investments are valued at their fair value. Investments are all traded in quoted public markets.

9 DEBTORS

2016
£

2015
£

Loans (see note 10)	243,769	325,483
Prepayment & accrued income	41,848	19,230
Members contributions	143,643	201,159
Cumbria Force	9,676	9,492
NCA	-	2,199
Gift Aid	4,311	19,576
	<hr/>	<hr/>
	443,247	577,139
	<hr/>	<hr/>

The Debtors above include £243,769 of loans due from officers falling due after more than one year.

10 LOANS

2016
£

Balance at 1 January 2016	325,483
Loan converted to grants	(6,629)
Loans granted during the year	58,583
Repayments in year	(109,925)
Reduction in Bad Debt Provision	(19,896)
Loans written off	(3,847)
	<hr/>
Balance at 31 December 2016	243,764
	<hr/>

11 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

2016
£

2015
£

Sundry creditors and accruals	42,075	8,340
	<hr/>	<hr/>
	42,075	8,340
	<hr/>	<hr/>

NORTH WEST POLICE BENEVOLENT FUND
NOTES TO THE ACCOUNTS
For the year ended 31 DECEMBER 2016

12 RESTRICTED INCOME FUNDS

	<u>Balance as at</u> <u>01.01.2016</u> £	<u>Incoming</u> <u>Resources</u> £	<u>Outgoing</u> <u>Resources</u> £	<u>Balance as at</u> <u>31.12.2016</u> £
In memory of Fiona & Nicola	33,030	1,124	-	34,154

The donation received in memory of Fiona & Nicola is to be expended on items that are capital in nature.

The funds received from Cheshire constabulary were expended on physiotherapy facilities.

13 UNRESTRICTED INCOME FUND

	<u>Balance as at</u> <u>01.01.2016</u> £	<u>Incoming</u> <u>Resources</u> £	<u>Outgoing</u> <u>Resources</u> £	<u>Balance as at</u> <u>31.12.2016</u> £
General Fund	6,254,662	1,206,123	(917,975)	6,542,810

14 COMMITMENTS

Capital commitments

As at 31st December 2016 the fund had contracted for future building work as follows:-

	2016 £	2015 £
St. Michael's Lodge	970,000	-

15 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net movement in funds	369,257	246,846
Add back depreciation charge	54,370	52,369
Deduct interest and dividends	(23,357)	(31,498)
Deduct gains/add back losses on investments	(39,744)	3,589
Decrease (increase) in debtors	133,892	257,388
Increase (decrease) in creditors	33,735	(248,799)
Net cash used in operating activities	<u>528,153</u>	<u>279,895</u>