



Scottish Police Federation

5 Woodside Place Glasgow G3 7QF

JCC Circular 37 of 2014

Ref: CS/LS

8 September 2014

Dear Colleague

SPF Voluntary Fund - Information

I refer to the above and enclose for your attention a copy of the SPF accounts for 2013/14.

Yours sincerely

Calum Steele
General Secretary

The Scottish Police Federation
Joint Central Committee Voluntary Fund
Accounts
For the Year to 31 March 2014



Hardie Caldwell LLP

CHARTERED ACCOUNTANTS & BUSINESS ADVISERS

Glasgow

Chairman : Brian Docherty

Vice Chairman: David Ross

General Secretary : Calum Steele

Deputy General Secretary : Rab Milligan

Treasurer : Graham Neilson

Auditors : Hardie Caldwell LLP
Registered Auditors
Chartered Accountants
Citypoint 2
25 Tyndrum Street
Glasgow
G4 0JY

Solicitors : Hughes Dowdall, Glasgow
Levy and McRae, Glasgow
Slater & Gordon, Edinburgh

Bankers : The Co-operative Bank
29 Gordon Street
Glasgow
G1 3PF

Stockbrokers : Smith & Williamson Investment Management
206 St Vincent Street
Glasgow
G2 5SG

Central Office Address : 5 Woodside Place
Glasgow
G3 7OF

**Income and Expenditure Account
For the year ended 31 March 2014**

	Note	£	Year to 31 Mar 2014 £	15 months to 31 Mar 2013 £
Income				
Contributions from members	2		2,193,312	2,014,019
Investment income - Quoted investments			112,796	132,107
				<u>2,146,126</u>
Interest received - Quoted investments		236		1,765
- Corporate bonds		18,551		19,879
- Other		3,319		4,979
			22,106	<u>26,623</u>
Grant in aid			374,400	468,000
PNB refunds			19,761	19,584
Corporation tax recoverable			1,468	2,320
			<u>2,723,843</u>	<u>2,662,653</u>
Expenditure				
Wages and national insurance	3	1,372,227		709,474
Annual conference production costs		36,782		36,500
Courses, meetings, travelling and subsistence	4	300,448		384,736
Printing, stationery and publications		34,727		36,202
Advertising and video production costs		72,240		0
Telephone and fax		31,695		20,398
Insurance		10,588		12,153
Professional fees	5	456,629		674,830
Death benefits		42,000		84,000
Donations		3,032		3,675
Repairs, renewals and maintenance		22,554		21,807
Computer maintenance and consumables		47,324		13,414
Remote access and website development costs		111,504		29,218
Depreciation		46,173		31,611
Miscellaneous expenses	6	166,868		66,000
			<u>2,754,791</u>	<u>2,124,018</u>
Operating (deficit) / surplus for the year			<u>(30,948)</u>	<u>538,635</u>
Investment transactions				
Gain / (loss) on sale of quoted investments			85,361	141,786
Exceptional items				
Taxation			(166,522)	0
(Deficit) / surplus for the year			<u><u>(112,109)</u></u>	<u><u>680,421</u></u>

Balance Sheet
As at 31 March 2014

	Note	£	2014 £	2013 £
Fixed assets				
Tangible assets	7		750,953	254,336
Investments - Quoted	8	4,336,440		3,875,973
- Other	8	823,290		709,623
			5,159,730	4,585,596
Current assets				
Debtors	9	309,785		261,712
Cash and bank balances	10	2,222,217		1,912,432
		2,532,002		2,174,144
Creditors : Amounts falling due within one year	11	(989,255)		(228,542)
Net current assets			1,542,747	1,945,602
Net assets			<u>7,453,430</u>	<u>6,785,534</u>
 Represented by:				
General fund	12		2,187,084	2,014,846
Investment fund	13		5,266,346	4,770,688
			<u>7,453,430</u>	<u>6,785,534</u>

Approved by the Joint Central Committee on *19th Aug 2014* and signed on its behalf by :-

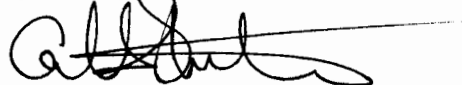
Brian Docherty

Chairman



Calum Steele

General Secretary



Notes to the accounts
 For the year ended 31 March 2014

1) **Accounting policies**

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). All operations are continuing.

Contributions from members

Contributions from members includes both subscriptions due and receivable within the financial year. Amounts due but not yet received by 31 March 2014 are incorporated as debtors as shown in note 9.

Depreciation

Depreciation is calculated on the original cost of the fixed assets over their useful lives at rates providing for the cost less residual value as follows :-

Heritable property	2%	per annum straight line
Furniture, fittings and equipment	20%	per annum reducing balance
Computer equipment	33.33%	per annum straight line

Pension Scheme

The federation makes contributions to a defined contribution scheme which covers employees of the federation.

The assets of the funds are held by Trustees and are kept separate from those of the federation. Contributions are charged to the Income and Expenditure account as they become payable.

Investments and Investment Income

Investments are stated at cost.

Investment income represents dividends received from quoted investments.

Interest received on quoted investments is shown separately in the Income and Expenditure account.

Going Concern

The voluntary fund has cash resources and has no requirement for external funding. The Joint Central Committee have a reasonable expectation that the voluntary fund has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

2) Contributions from members	Year to	15 months to
	31 Mar 2014	31 Mar 2013
	£	£
Central	104,337	98,133
Dumfries and Galloway	64,976	58,253
Fife	140,190	129,393
Grampian	196,465	179,190
Lothian and Borders	376,390	345,285
Northern	98,441	88,448
Strathclyde	1,058,264	971,389
Tayside	154,249	143,928
	<u>2,193,312</u>	<u>2,014,019</u>

Notes to the accounts
For the year ended 31 March 2014

3) Wages and national insurance	Year to 31 Mar 2014	15 months to 31 Mar 2013
	£	£
Executive salaries	315,186	331,253
Retired office bearers pension	63,731	72,727
Wages and salaries	509,762	240,839
Area committee honoraria	236,047	0
Social security costs	74,398	29,061
Other pension costs	30,081	13,762
Motor car allowance	143,022	21,832
	<u>1,372,227</u>	<u>709,474</u>

4) Courses, meetings, travelling and subsistence	£	£
Area committee meetings, secretaries' and chairs	28,667	0
Conferences and seminars	3,638	22,314
General travel and subsistence	53,289	77,436
JCC meetings and UK joint meetings	54,109	110,132
Annual conference	45,465	27,975
JBB secretaries' meetings	0	16,366
Police treatment centres	1,357	5,670
PNB members' meeting expenses	31,102	53,154
Political meetings	28,037	15,717
Other police body meetings	14,441	0
PDT meetings	4,245	6,279
Standing committees	1,584	10,330
Pensions road show 2013	16,616	0
Federation study courses	702	24,726
Health and safety meetings	5,358	5,358
Police reform meetings	1,114	7,734
ICPRA meetings & membership	10,724	1,545
	<u>300,448</u>	<u>384,736</u>

5) Professional fees	£	£
Legal fees	331,058	429,667
Audit and accountancy	25,904	65,557
Tax consultancy and actuary fees	31,704	3,024
Consultants fees	59,823	164,909
PI insurance	7,960	11,323
Stockbrokers fees	180	350

Notes to the accounts
For the year ended 31 March 2014

6) Miscellaneous expenses	Year to 31 Mar 2014	15 months to 31 Mar 2013
	£	£
Rates and water	52,701	28,611
Rent	34,858	0
Heat and light	24,884	13,230
Sundry expenses	11,206	6,115
Cleaning	13,048	6,644
Postage	1,106	3,132
Equipment rental	4,584	808
Presentations and gratuities	1,925	1,364
Bank charges	2,069	428
Car parking	6,321	0
Interest on tax	14,166	0
Promotional products	0	5,668
	<u>166,868</u>	<u>66,000</u>

7) Fixed assets	Heritable property £	Computer equipment £	Fixtures & & Fittings £	Total £
Cost				
At 01 April 2013	476,932	83,960	219,510	780,402
Additions	472,364	6,868	63,557	542,789
Disposals	0	0	0	0
At 31 March 2014	<u>949,296</u>	<u>90,828</u>	<u>283,067</u>	<u>1,323,191</u>
Aggregate depreciation				
At 01 April 2013	266,702	76,757	182,607	526,066
Charge for year	18,987	7,572	19,613	46,172
On disposal	0	0	0	0
At 31 March 2014	<u>285,689</u>	<u>84,329</u>	<u>202,220</u>	<u>572,238</u>
Net book value				
At 31 March 2014	<u>663,607</u>	<u>6,499</u>	<u>80,847</u>	<u>750,953</u>
At 31 March 2013	<u>210,230</u>	<u>7,203</u>	<u>36,903</u>	<u>254,336</u>

Notes to the accounts
For the year ended 31 March 2014

8) Investments	Quoted £	Other £
Cost		
At 01 April 2013	3,875,973	709,623
Add: Transferred from Grampian JBB	128,493	0
Add: Transferred from Central JBB	79,993	0
Add : Invested during the year	1,073,345	113,667
	<u>5,157,804</u>	<u>823,290</u>
Less : Disposed during the year	821,364	0
At 31 March 2014	<u>4,336,440</u>	<u>823,290</u>
 Market value at 31 March 2014 was	 <u>4,837,373</u>	 <u>895,631</u>

All quoted investments are listed on a recognised Stock Exchange.

9) Debtors	2014 £	2013 £
Members' contributions	31,545	118,414
Corporation tax recoverable	1,468	2,320
Other debtors and prepayments	276,772	140,978
	<u>309,785</u>	<u>261,712</u>

10) Cash and bank balances

	£	£
Funds held with Bank of Scotland		
Treasurers account	11,129	529,341
Police central government account	0	2,025
30 day notice account	989,442	1,000,000
Funds held with The Co-operative Bank		
Current account	79,123	185,445
Police central government account	23,674	0
Deposit account	1,010,247	0
Funds held on deposit with stockbrokers		
Client money deposit account	106,616	185,092
Funds held by cash		
Joint central committee : floats	800	7,600
Cash on hand	1,186	2,929
	<u>2,222,217</u>	<u>1,812,427</u>

Notes to the accounts
 For the year ended 31 March 2014

11) Creditors : Amounts falling due within one year	2014	2013
	£	£
Trade creditors	164,440	19,071
Accruals and deferred income	124,039	209,471
PAYE and social security	27,936	0
Loan - Trust fund account	483,456	0
Taxation	166,522	0
Other creditors	22,862	0
	<u>989,255</u>	<u>228,542</u>
12) General fund	£	£
Balance as at 01 April 2013		2,014,846
Deficit for year from income and expenditure account		<u>(112,109)</u>
		1,902,737
Transfer of branch assets		
JBB net bank balances	537,122	
JBB petty cash balances	1,548	
Central - Investments		
Investments at book value on 28 March 2013	79,993	
Deposit account balance at 28 March 2013	<u>10,359</u>	
	90,352	
Grampian - Investments		
Investments at book value on 28 March 2013	128,493	
Deposit account balance at 28 March 2013	<u>22,490</u>	
	<u>150,983</u>	
		780,005
Transferred to Investment fund		
Quoted	(381,991)	
Other	<u>(113,667)</u>	
		(495,658)
Balance at 31 March 2014		<u><u>2,187,084</u></u>

Notes to the accounts
For the year ended 31 March 2014

13) Investment fund

	Quoted £	Other £	Total £
Balance as at 01 April 2013	4,061,065	709,623	4,770,688
Transferred from General fund	381,991	113,667	495,658
Balance at 31 March 2014	<u>4,443,056</u>	<u>823,290</u>	<u>5,266,346</u>

Independent Auditors' Report to the Joint Central Committee of The Scottish Police Federation

We have audited the financial statements of The Scottish Police Federation Joint Central Committee Voluntary Fund for the year ended 31 March 2014 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes numbered 1 to 13.

The financial reporting framework that has been applied in their preparation is United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

This report is made solely to the organisation's Joint Central Committee, as a body, in accordance with Rule 21 of the Police Federation (Scotland) Rules. Our audit work has been undertaken so that we might state to the organisation's Joint Central Committee 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 organisation and its Joint Central Committee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Joint Central Committee and auditors

In accordance with Rule 21 of the Police Federation (Scotland) Rules the Joint Central Committee are responsible for the preparation of the financial statements of the Voluntary Fund and for being satisfied that they give a true and fair view.

We have been appointed as auditors under Rule 21 of the Police Federation (Scotland) Rules and report in accordance with that rule.

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant regulatory requirements and International Standards on Auditing (United Kingdom 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 organisation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Joint Central Committee; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2014 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of Rule 21 of the Police Federation (Scotland) Rules.

Hardie Caldwell LLP
Statutory Auditor

Glasgow
Date: