

Chair :	David Hamilton (appointed on 5th April 2020)
	Andrea MacDonald (resigned on 4th April 2020)
Vice Chair :	Brian Jones (appointed on 5th April 2020)
	David Hamilton (resigned on 4th April 2020)
General Secretary and Treasurer :	Calum Steele
Deputy General Secretary :	David Kennedy
Auditors :	Hardie Caldwell LLP Registered Auditors Chartered Accountants Citypoint 2 25 Tyndrum Street Glasgow G4 0JY
Solicitors :	Levy and McRae, Glasgow Slater & Gordon, Edinburgh PBW Law, Glasgow
Bankers :	Unity Trust Bank PLC 9 Brindleyplace Birmingham B1 2HB
Stockbrokers :	Smith & Williamson Investment Management 206 St Vincent Street Glasgow G2 5SG
Central Office Address :	5 Woodside Place Glasgow G3 7QF

Income and Expenditure Account
 For the Year Ended 31 March 2020

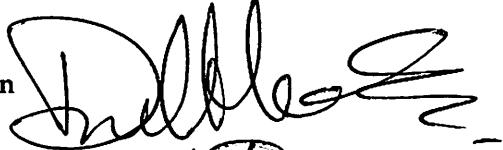
	Note	£	2020 £	2019 £
Income				
Contributions from members			2,257,379	2,286,571
Legal contributions from members			1,246,135	1,257,190
Investment income - Quoted investments			206,706	180,817
Interest received - Quoted investments		1,393		516
- Other		-		2
			1,393	
Corporation tax recoverable			856	996
Management income - Members' Benefit Trust			87,000	87,000
			<u>3,799,469</u>	<u>3,813,092</u>
Expenditure				
Wages and national insurance	4	1,075,925		1,000,603
Annual conference production costs		1,728		33,557
Courses, meetings, travelling and subsistence	5	353,299		434,371
Printing, stationery and publications		24,963		28,023
Advertising and video production costs		847		3,277
Telephone		18,286		15,022
Professional fees	6	1,280,833		1,703,686
Death benefits		86,500		35,000
Donations		78,973		66,637
Repairs, renewals and maintenance		114,630		102,254
Computer maintenance and consumables		69,681		49,666
IT support		75,363		81,438
Property costs	7	273,181		280,543
Depreciation	10	71,620		66,606
Loss on disposal of fixed assets		-		34,754
Miscellaneous expenses	8	45,913		37,899
			3,571,742	3,973,336
Operating surplus / (deficit) for the year			<u>227,727</u>	<u>(160,244)</u>
Investment transactions				
Realised (loss) / gain on sale of quoted investments			(45,884)	111,393
Unrealised (loss) / gain on revaluation of quoted investments			(517,634)	433,390
(Deficit) / surplus for the year before taxation			<u>(335,791)</u>	<u>384,539</u>
Taxation	9		140,824	(22,339)
(Deficit) / surplus for the year after taxation			<u>(194,967)</u>	<u>362,200</u>


The notes on pages 4 to 10 form part of these accounts.

Balance Sheet
As at 31 March 2020

	Note	£	2020 £	2019 £
Fixed assets				
Tangible assets	10		1,633,984	1,673,215
Investments - Quoted	11		7,459,775	7,967,238
			<u>9,093,759</u>	<u>9,640,453</u>
Current assets				
Debtors	12	342,361		509,936
Cash and bank balances	13	1,135,113		667,714
		<u>1,477,474</u>		<u>1,177,650</u>
Creditors : Amounts falling due within one year	14	<u>(304,404)</u>		<u>(215,483)</u>
Net current assets			1,173,070	<u>962,167</u>
Provisions for liabilities	15		(184,013)	(324,837)
Net assets			<u><u>10,082,816</u></u>	<u><u>10,277,783</u></u>
Represented by:				
General fund	16		2,106,511	1,908,074
Investment fund	17		7,976,305	8,369,709
			<u><u>10,082,816</u></u>	<u><u>10,277,783</u></u>

Approved by the Joint Central Committee on 25 February 2022 and signed on its behalf by :-

David Hamilton  Chair

Calum Steele  General Secretary and Treasurer

The notes on pages 4 to 10 form part of these accounts.

**Notes to the accounts
For the Year Ended 31 March 2020**

1) STATUTORY INFORMATION

The Scottish Police Federation Joint Central Committee Voluntary Fund's registered office is 5 Woodside Place, Glasgow G3 7QF.

2) ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland." The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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. There are no known, material uncertainties regarding the Voluntary Fund's ability to continue as a going concern.

Revenue recognition

Contributions from members represents the gross amount of subscriptions receivable from members during the financial year.

Tangible fixed assets

Depreciation of fixed assets is charged at rates calculated to write off the cost of the assets less any residual value over their expected useful lives as follows:-

Heritable property	- 2% straight line
Computer equipment	- 33.3% straight line
Fixtures and fittings	- 20% reducing balance

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market value. The Income and Expenditure Account includes net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All realised and unrealised investment gains and losses are taken to the Income and Expenditure Account as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investment income represents dividends received from quoted investments.

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

Notes to the accounts
For the Year Ended 31 March 2020

2) ACCOUNTING POLICIES (continued)

Taxation

Taxation for the year comprises deferred tax.

Deferred taxation liabilities are not discounted.

Deferred tax is recognised in respect of all timing difference that have originated but not reversed at the balance sheet date.

Other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Financial instruments

The Voluntary Fund only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Members contributions and other debtors are recognised at the settlement amount due with appropriate allowances for any irrecoverable amount when there is objective evidence that the asset is impaired.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and cash at bank with a short term of maturity, being twelve months or less, from the opening of the deposit or similar account.

Creditors

Trade creditors, accruals and deferred income and other creditors are recognised where the company has a present obligation resulting from a past event and are recognised at the settlement amount due after allowing for any trade discounts due.

Loans

Loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the accounts
 For the Year Ended 31 March 2020

3) EMPLOYEES AND OFFICE BEARERS

The average number of employees during the year was 38 (2019 - 37).

4) Wages and national insurance	2020	2019
	£	£
Executive salaries	101,714	97,375
Retired office bearers' pension	-	9,072
Wages and salaries	479,804	424,467
Area committee salaries	197,808	196,965
Social security costs	89,931	77,516
Other pension costs	36,788	32,404
Motor car expenses	169,880	162,804
	<u>1,075,925</u>	<u>1,000,603</u>

5) Courses, meetings, travelling and subsistence

	£	£
Area committee meetings, secretaries' and chairs	29,595	35,178
Conferences and seminars	6,865	11,234
General travel and subsistence	45,998	24,887
JCC meetings and UK joint meetings	55,847	45,840
Annual conference	29,415	151,243
PTC, Police Care UK, Charities	81,152	53,588
PNB members' meeting expenses	438	588
Political meetings	19,548	34,785
Eurocop	32,414	44,984
Federation study courses	27,263	5,351
International meetings	551	2,336
UK Federation & Police	24,213	24,357
	<u>353,299</u>	<u>434,371</u>

6) Professional fees

	£	£
Legal fees including outlays	1,149,309	1,552,273
Audit and accountancy	25,364	25,472
Professional fees	33,456	31,593
Consultants' fees	17,246	40,663
PI insurance	6,927	6,768
Stockbroker's fees	41,242	39,937
Medical fees	7,289	6,980
	<u>1,280,833</u>	<u>1,703,686</u>

Notes to the accounts
For the Year Ended 31 March 2020

	2020	2019
	£	£
7) Property costs		
Rates and water	93,990	98,260
Rent and service charges	116,239	121,702
Heat and light	40,621	42,485
Insurance	15,523	12,396
Cleaning	6,808	5,700
	<u>273,181</u>	<u>280,543</u>

8) Miscellaneous expenses		
	£	£
Sundry expenses	16,333	13,075
Equipment rental	-	814
Presentations and gratuities	-	40
Bank charges	2,374	2,893
Car parking	15,799	15,320
Promotional products	8,976	3,068
Subscriptions	2,431	2,689
	<u>45,913</u>	<u>37,899</u>

9) Taxation

Analysis of the tax charge

The tax charge on the income and expenditure account for the year was as follows:

	£	£
Deferred tax	(140,824)	22,339
	<u>(140,824)</u>	<u>22,339</u>

Notes to the accounts
For the Year Ended 31 March 2020

10) Fixed assets	Heritable Property £	Leasehold Improvements £	Computer Equipment £	Fixtures & Fittings £	Total £
Cost					
At 01 April 2019	1,939,809	112,669	30,933	166,816	2,250,227
Additions	1,676	2,690	23,365	4,658	32,389
Disposals	-	-	-	-	-
At 31 March 2020	<u>1,941,485</u>	<u>115,359</u>	<u>54,298</u>	<u>171,474</u>	<u>2,282,616</u>
Aggregate depreciation					
At 01 April 2019	462,071	4,471	14,419	96,051	577,012
Charge for year	36,330	2,303	18,097	14,890	71,620
On disposal	-	-	-	-	-
At 31 March 2020	<u>498,401</u>	<u>6,774</u>	<u>32,516</u>	<u>110,941</u>	<u>648,632</u>
Net book value					
At 31 March 2020	<u>1,443,084</u>	<u>108,585</u>	<u>21,782</u>	<u>60,533</u>	<u>1,633,984</u>
At 31 March 2019	<u>1,477,738</u>	<u>108,198</u>	<u>16,514</u>	<u>70,765</u>	<u>1,673,215</u>

11) Investments	Quoted £
Market value	
At 01 April 2019	7,967,238
Add : Invested during the year	1,286,449
Add: Revaluations	(563,518)
Less : Disposed during the year	(1,230,394)
Net book value at 31 March 2020	<u>7,459,775</u>
Net book value at 31 March 2019	<u>7,967,238</u>

All quoted investments are listed on a recognised Stock Exchange.

12) Debtors	2020 £	2019 £
Members' contributions	28,835	85,299
Corporation tax recoverable	1,852	1,432
Other debtors and prepayments	127,769	74,226
Other debtors - SPF Members Benefit Trust	183,906	348,979
	<u>342,361</u>	<u>509,936</u>

Notes to the accounts
 For the Year Ended 31 March 2020

13) Cash and bank balances

	2020	2019
	£	£
Funds held with The Co-operative Bank		
Current account	-	946
Funds held with Unity Trust		
Current account	560,681	205,047
Grant current account	55,329	57,027
Funds held on deposit with stockbrokers		
Investment account	516,530	402,471
Funds held in cash		
Cash in hand	2,573	2,223
	<u>1,135,113</u>	<u>667,714</u>

14) Creditors : Amounts falling due within one year

	£	£
Trade creditors	89,564	114,014
Accruals and deferred income	193,076	87,852
Other creditors	21,764	13,617
	<u>304,404</u>	<u>215,483</u>

15) Provisions for liabilities

	£	£
Deferred tax		
Balance as at 01 April 2019	324,837	302,498
Deferred tax movement	(140,824)	22,339
Balance at 31 March 2020	<u>184,013</u>	<u>324,837</u>

Notes to the accounts
For the Year Ended 31 March 2020

16) General fund

	£
Balance as at 01 April 2019	1,908,074
Deficit for year from income and expenditure account	(194,967)
	<u>1,713,107</u>
Transferred from Investment fund - Quoted	393,404
Balance at 31 March 2020	<u><u>2,106,511</u></u>

17) Investment fund

	Quoted £
Balance as at 01 April 2019	8,369,709
Transferred to General fund	(393,404)
Balance at 31 March 2020	<u><u>7,976,305</u></u>

18) Lease commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020 £	2019 £
Within one year	45,180	45,180
Between one and five years	66,000	72,000
	<u><u>111,180</u></u>	<u><u>117,180</u></u>

The lease payments recognised as an expense during the year totalled £55,110 (2019: £53,569).

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

Opinion

In accordance with Rule 17 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.

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2020 and of its surplus 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 Rule 17 of the Police Federation (Scotland) Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the committee have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the voluntary fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The committee is responsible for the other information. The other information comprises the information in the Report of the Joint Central Committee Voluntary Fund, but does not include the financial statements and our Report of the Auditors thereon. Our Report of the Auditors does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Responsibilities of the Joint Central Committee

In accordance with Rule 17 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit is capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations – this responsibility lies with management with the oversight of the Committee.

Based on our understanding of the Federation and industry, discussions with management and directors we identified financial reporting standards as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the Federation's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

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

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the Federation's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review, where applicable, of the Joint Central Committees' minutes;
- enquiry of management, about litigations and claims and inspection of relevant correspondence
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgements and estimates, including the carrying value of fixed assets and accruals, deferred tax provisions, and revenue recognition;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions, outside the normal course of business;

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organised schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/audit-responsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the organisation's Joint Central Committee, as a body, in accordance with Rule 17 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 a Report of the Auditors 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 the organisation's Joint Central Committee as a body, for our audit work, for this report, or for the opinions we have formed.

Angus McCuaig (Senior Statutory Auditor)
for and on behalf of Hardie Caldwell LLP
Statutory Auditors
Chartered Accountants
Citypoint 2
25 Tyndrum Street
Glasgow G4 0JY

Date: