

The Scottish Police Federation
Joint Central Committee Voluntary Fund
Accounts
For the Year to 31 March 2022

Chair :	David Threadgold David Hamilton	appointed 07 March 2023 resigned 06 March 2023
Vice Chair :	Brian Jones	
General Secretary and Treasurer :	David Kennedy Calum Steele	appointed 24 February 2023 resigned 23 February 2023
Deputy General Secretary :	Lorna Cunningham David Kennedy	appointed 24 February 2023
Auditors :	Anderson Anderson & Brown Audit LLP Statutory Auditors Chartered Accountants Citypoint 2 25 Tyndrum Street Glasgow G4 0JY	
Solicitors :	Levy and McRae, Glasgow PBW Law, Glasgow	
Bankers :	Unity Trust Bank PLC 4 Brindley Place Birmingham B1 2JB	
Stockbrokers :	Evelyn Partners 206 St Vincent Street Glasgow G2 5SG	
Central Office Address :	5 Woodside Place Glasgow G3 7QF	

Joint Central Committee Voluntary Fund

Income and Expenditure Account
For the Year Ended 31 March 2022

	Note	£	2022 £	2021 £
Income				
Contributions from members			2,281,633	2,299,122
Legal contributions from members			1,257,438	1,265,651
Investment income - Quoted investments			198,949	174,697
Interest received - Quoted investments		-		
- Other		-		
			-	201
Grant (PNB handbook)			-	5,000
Corporation tax recoverable			823	1,090
Management income - Members' Benefit Trust			87,000	87,000
			<u>3,825,843</u>	<u>3,832,761</u>
Expenditure				
Wages, national insurance and pensions	4	1,028,807		946,972
Courses, meetings, travelling and subsistence	5	430,923		127,661
Printing, stationery and publications		7,663		8,616
Telephone		1,510		12,036
Professional fees	6	1,900,692		1,357,507
Death benefits		34,000		28,000
Donations		28,874		5,650
Repairs, renewals and maintenance		39,391		79,581
Computer maintenance and consumables		61,773		77,218
IT support		67,782		83,962
Property costs	7	295,155		268,174
Depreciation	10	73,518		77,613
(Profit)/Loss on disposal of fixed assets		-		4,138
Miscellaneous expenses	8	32,741		13,771
			<u>4,002,829</u>	<u>3,090,899</u>
Operating (loss)/surplus for the year			<u>(176,986)</u>	<u>741,862</u>
Investment transactions				
Realised gain on sale of quoted investments			19,240	50,267
Unrealised gain on revaluation of quoted investments			235,028	1,453,711
			<u>77,282</u>	<u>2,245,840</u>
Surplus for the year before taxation			<u>77,282</u>	<u>2,245,840</u>
Taxation	9		75,250	(286,744)
			<u>152,532</u>	<u>1,959,096</u>
Surplus for the year after taxation			<u>152,532</u>	<u>1,959,096</u>

Balance Sheet
 As at 31 March 2022

	Note	£	2022 £	2021 £
Fixed assets				
Tangible assets	10		1,907,126	1,593,939
Investments - Quoted	11		9,710,656	9,414,778
			<u>11,617,782</u>	<u>11,008,717</u>
Current assets				
Debtors	12	459,911		422,064
Cash and bank balances	13	<u>1,347,756</u>		<u>1,391,965</u>
		1,807,667		1,814,029
Creditors: Amounts falling due within one year	14	<u>(835,497)</u>		<u>(310,076)</u>
Net current assets			972,170	<u>1,503,953</u>
Provisions for liabilities	15		(395,507)	(470,757)
Net assets			<u><u>12,194,444</u></u>	<u><u>12,041,912</u></u>
 Represented by:				
General fund	16		2,191,631	2,433,465
Investment fund	17		<u>10,002,813</u>	<u>9,608,447</u>
			<u><u>12,194,444</u></u>	<u><u>12,041,912</u></u>

29.05.23

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

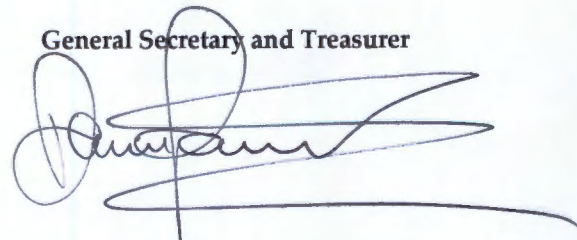
David Threadgold

Chair



David Kennedy

General Secretary and Treasurer



Notes to the accounts
For the Year Ended 31 March 2022

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
Leasehold improvements	- 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 2022

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.

Notes to the accounts

For the Year Ended 31 March 2022

3) EMPLOYEES AND OFFICE BEARERS

The average number of employees during the year was 38 (2021 - 38).

4) Wages, national insurance and pensions

	2022	2021
	£	£
Executive salaries	92,938	89,500
Wages and salaries	539,656	494,596
Area committee salaries	191,823	194,305
Social security costs	69,682	63,958
Other pension costs	41,697	37,246
Motor car expenses	93,011	67,367
	<u>1,028,807</u>	<u>946,972</u>

5) Courses, meetings, travelling and subsistence

	£	£
Area committee meetings, secretaries' and chairs	22,290	734
Conferences and seminars	29,803	272
General travel and subsistence	30,467	8,916
JCC meetings and UK joint meetings	26,753	896
Annual conference	69,337	54,375
Charity meetings and events	36,510	13,851
Bravery awards 2021	56,788	-
PNB members' meeting expenses	392	120
Political meetings	8,089	22,142
Eurocop	116,236	24,474
Federation study courses	23,484	52
International meetings	1,200	-
UK Federation & Police	9,574	1,829
	<u>430,923</u>	<u>127,661</u>

6) Professional fees

	£	£
Legal fees	1,762,477	1,225,316
Audit and accountancy	27,717	25,415
Professional fees	24,448	14,373
Consultants' fees	13,659	36,618
PI insurance	35,737	7,843
Stockbroker's fees	34,554	41,182
Medical fees	2,100	6,760
	<u>1,900,692</u>	<u>1,357,507</u>

Notes to the accounts
For the Year Ended 31 March 2022

	2022	2021
	£	£
7) Property costs		
Rates and water	95,453	92,372
Rent and service charges	107,274	113,789
Heat and light	39,251	35,626
Insurance	16,773	13,791
Cleaning	36,404	12,596
	<u>295,155</u>	<u>268,174</u>
8) Miscellaneous expenses		
	£	£
Sundry expenses	7,068	1,373
Bank charges	1,987	2,433
Car parking	14,720	7,262
Promotional products	4,845	-
Subscriptions	4,122	2,703
	<u>32,742</u>	<u>13,771</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	(75,250)	286,744
	<u>(75,250)</u>	<u>286,744</u>

Notes to the accounts
For the Year Ended 31 March 2022

10) Fixed assets	Heritable Property £	Leasehold Improvements £	Computer Equipment £	Fixtures & Fittings £	Total £
Cost					
At 01 April 2021	1,941,485	115,359	95,183	151,672	2,303,699
Additions	351,440	-	13,437	21,828	386,705
Disposals	-	-	-	-	-
At 31 March 2022	<u>2,292,925</u>	<u>115,359</u>	<u>108,620</u>	<u>173,500</u>	<u>2,690,404</u>
Aggregate depreciation					
At 01 April 2021	534,754	9,081	60,027	105,898	709,760
Charge for year	36,353	2,307	24,877	9,981	73,518
On disposal	-	-	-	-	-
At 31 March 2022	<u>571,107</u>	<u>11,388</u>	<u>84,904</u>	<u>115,879</u>	<u>783,278</u>
Net book value					
At 31 March 2022	<u>1,721,818</u>	<u>103,971</u>	<u>23,716</u>	<u>57,621</u>	<u>1,907,126</u>
At 31 March 2021	<u>1,406,731</u>	<u>106,278</u>	<u>35,156</u>	<u>45,774</u>	<u>1,593,939</u>

11) Investments	Quoted £
Market value	
At 01 April 2021	9,414,778
Add : Invested during the year	1,147,748
Add: Revaluations	254,269
Less : Disposed during the year	(1,106,139)
Net book value at 31 March 2022	<u>9,710,656</u>
Net book value at 31 March 2021	<u>9,414,778</u>

All quoted investments are listed on a recognised Stock Exchange.

12) Debtors	2022 £	2021 £
Members' contributions	27,837	28,323
Corporation tax recoverable	3,765	2,942
Other debtors and prepayments	70,403	118,573
Other debtors - SPF Members Benefit Trust	357,906	272,227
	<u>459,911</u>	<u>422,064</u>

Notes to the accounts
 For the Year Ended 31 March 2022

13) Cash and bank balances

	2022	2021
	£	£
Funds held with Unity Trust		
Current account	997,548	1,140,577
Grant current account	55,329	55,329
Funds held on deposit with stockbrokers		
Investment account	292,158	193,669
Funds held in cash		
Cash in hand	2,721	2,390
	<u>1,347,756</u>	<u>1,391,965</u>

14) Creditors : Amounts falling due within one year

	£	£
Trade creditors	193,236	93,479
Accruals and deferred income	634,946	216,232
Other creditors	7,315	365
	<u>835,497</u>	<u>310,076</u>

15) Provisions for liabilities

	£	£
Deferred tax		
Balance as at 01 April 2021	470,757	184,013
Deferred tax movement	(75,250)	286,744
Balance at 31 March 2022	<u>395,507</u>	<u>470,757</u>

Notes to the accounts
 For the Year Ended 31 March 2022

16) General fund

	£
Balance as at 01 April 2021	2,433,465
Surplus for year from income and expenditure account	152,532
	<u>2,585,997</u>
Transferred from Investment fund - Quoted	(394,366)
Balance at 31 March 2022	<u><u>2,191,631</u></u>

17) Investment fund

	Quoted £
Balance as at 01 April 2021	9,608,447
Transferred to General fund	394,366
Balance at 31 March 2022	<u><u>10,002,813</u></u>

18) Lease commitments

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

	2022	2021
	£	£
Within one year	45,560	45,560
Between one and five years	59,580	60,000
	<u>105,140</u>	<u>105,560</u>

The lease payments recognised as an expense during the year totalled £39,617 (2021: £53,204)

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 2022 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 Anderson Anderson & Brown Audit LLP
Statutory Auditors
Chartered Accountants
Citypoint 2
25 Tyndrum Street
Glasgow G4 0JY

Date: