

The Scottish Police Federation
Joint Central Committee Voluntary Fund
Accounts
For the Year to 31 March 2023

Chair :	David Threadgold David Hamilton	appointed 07 February 2023 resigned 07 February 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	appointed 24 February 2023
Auditors :	Anderson Anderson & Brown Audit LLP Statutory Auditors Chartered Accountants 133 Finnieston Street Glasgow G3 8HB	
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	

**Income and Expenditure Account
For the Year Ended 31 March 2023**

	Note	£	2023 £	2022 £
Income				
Contributions from members			2,228,998	2,281,633
Legal contributions from members			1,224,886	1,257,438
Investment income - Quoted investments			214,812	198,949
Interest received - Quoted investments		803		
- Other		73		
			876	-
Corporation tax recoverable			644	823
Management income - Members' Benefit Trust			89,619	87,000
			<u>3,759,835</u>	<u>3,825,843</u>
Expenditure				
Wages, national insurance and pensions	4	1,119,471		1,028,807
Courses, meetings, travelling and subsistence	5	510,002		430,923
Printing, stationery and publications		15,659		7,663
Telephone		12,440		1,510
Professional fees	6	2,070,432		1,900,692
Death benefits		65,000		34,000
Donations		36,473		28,874
Repairs, renewals and maintenance		70,473		39,391
Computer maintenance and consumables		75,170		61,773
IT support		65,126		67,782
Property costs	7	319,892		295,155
Depreciation	10	115,755		73,518
Loss on disposal of fixed assets		7,945		-
Miscellaneous expenses	8	41,218		32,741
			<u>4,525,056</u>	<u>4,002,829</u>
Operating loss for the year			<u>(765,221)</u>	<u>(176,986)</u>
Investment transactions				
Realised (loss)/gain on sale of quoted investments			(193,753)	19,240
Unrealised (loss)/gain on revaluation of quoted investments			(357,395)	235,028
			<u>(1,316,369)</u>	<u>77,282</u>
(Loss)/surplus for the year before taxation			<u>(1,316,369)</u>	<u>77,282</u>
Taxation	9		43,221	75,250
(Loss)/surplus for the year after taxation			<u><u>(1,273,148)</u></u>	<u><u>152,532</u></u>


Balance Sheet
As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed assets				
Tangible assets	10		1,857,705	1,907,126
Investment:- Quoted	11		9,025,812	9,710,656
			<u>10,883,517</u>	<u>11,617,782</u>
Current assets				
Debtors	12	537,259		459,911
Cash and bank balances	13	441,819		1,347,756
		<u>979,078</u>		<u>1,807,667</u>
Creditors : Amounts falling due within one year	14	<u>(589,012)</u>		<u>(835,497)</u>
Net current assets			390,066	<u>972,170</u>
Provisions for liabilities	15		(352,286)	(395,507)
Net assets			<u><u>10,921,296</u></u>	<u><u>12,194,444</u></u>
 Represented by:				
General fund	16		1,800,735	2,191,631
Investment fund	17		9,120,561	10,002,813
			<u>10,921,296</u>	<u>12,194,444</u>

Approved by the Joint Central Committee on 26th June 2024 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 2023

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 2023

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 2023

3) EMPLOYEES AND OFFICE BEARERS

The average number of employees during the year was 37 (2022 - 38).

4) Wages, national insurance and pensions

	2023	2022
	£	£
Executive salaries	99,416	92,938
Wages and salaries	558,477	539,656
Area committee salaries	204,010	191,823
Social security costs	98,547	69,682
Other pension costs	41,504	41,697
Motor car expenses	117,517	93,011
	<u>1,119,471</u>	<u>1,028,807</u>

5) Courses, meetings, travelling and subsistence

	£	£
Area committee meetings, secretaries' and chairs	29,236	22,290
Conferences and seminars	6,401	29,803
General travel and subsistence	62,292	30,467
JCC meetings and UK joint meetings	69,587	26,753
Annual conference	165,502	69,337
Charity meetings and events	32,870	36,510
Bravery awards	74,444	56,788
PNB members' meeting expenses	1,037	392
Political meetings	6,354	8,089
Eurocop	19,883	116,236
Federation study courses	31,847	23,484
International meetings	4,894	1,200
UK Federation & Police	5,655	9,574
	<u>510,002</u>	<u>430,923</u>

6) Professional fees

	£	£
Legal fees	1,902,822	1,762,477
Audit and accountancy	34,915	27,717
Professional fees	14,109	24,448
Consultants' fees	45,881	13,659
PI insurance	23,964	35,737
Stockbroker's fees	44,721	34,554
Medical fees	4,020	2,100
	<u>2,070,432</u>	<u>1,900,692</u>

Notes to the accounts

For the Year Ended 31 March 2023

	2023	2022
	£	£
7) Property costs		
Rates and water	127,477	95,453
Rent and service charges	87,812	107,274
Heat and light	45,792	39,251
Insurance	18,869	16,773
Cleaning	39,942	36,404
	<u>319,892</u>	<u>295,155</u>

8) Miscellaneous expenses

	£	£
Sundry expenses	21,051	7,068
Bank charges	2,262	1,987
Car parking	12,731	14,720
Promotional products	-	4,845
Subscriptions	5,174	4,122
	<u>41,218</u>	<u>32,742</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	(43,221)	(75,250)
	<u>(43,221)</u>	<u>(75,250)</u>

Notes to the accounts
For the Year Ended 31 March 2023

10) Fixed assets	Heritable Property £	Leasehold Improvements £	Computer Equipment £	Fixtures & Fittings £	Total £
Cost					
At 01 April 2022	2,292,925	115,359	108,620	173,500	2,690,404
Additions	-	-	51,295	22,984	74,279
Disposals	-	-	(35,844)	-	(35,844)
At 31 March 2023	<u>2,292,925</u>	<u>115,359</u>	<u>124,071</u>	<u>196,484</u>	<u>2,728,839</u>
Aggregate depreciation					
At 01 April 2022	571,107	11,388	84,904	115,879	783,278
Charge for year	36,353	40,247	23,037	16,118	115,755
On disposal	-	-	(27,899)	-	(27,899)
At 31 March 2023	<u>607,460</u>	<u>51,635</u>	<u>80,042</u>	<u>131,997</u>	<u>871,134</u>
Net book value					
At 31 March 2023	<u>1,685,465</u>	<u>63,724</u>	<u>44,029</u>	<u>64,487</u>	<u>1,857,705</u>
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>

11) Investments	Quoted £
Market value	
At 01 April 2022	9,710,656
Add : Invested during the year	1,334,093
Add: Realised / unrealised (loss) gain on sale of investments	(547,007)
Less : Disposal proceeds	(1,471,930)
Market value at 31 March 2023	<u>9,025,812</u>
Market value at 31 March 2022	<u>9,710,656</u>

All quoted investments are listed on a recognised Stock Exchange.

12) Debtors	2023 £	2022 £
Members' contributions	27,586	27,837
Corporation tax recoverable	1,505	3,765
Other debtors and prepayments	95,622	70,403
Other debtors - SPF Members Benefit Trust	412,546	357,906
	<u>537,259</u>	<u>459,911</u>

Notes to the accounts
 For the Year Ended 31 March 2023

13) Cash and bank balances

	2023	2022
	£	£
Funds held with Unity Trust		
Current account	289,699	997,548
Grant current account	55,329	55,329
Funds held on deposit with stockbrokers		
Investment account	94,749	292,158
Funds held in cash		
Cash in hand	2,042	2,721
	<u>441,819</u>	<u>1,347,756</u>

14) Creditors : Amounts falling due within one year

	£	£
Trade creditors	235,810	193,236
Accruals and deferred income	340,674	634,946
Other creditors	12,528	7,315
	<u>589,012</u>	<u>835,497</u>

15) Provisions for liabilities

	£	£
Deferred tax		
Balance as at 01 April 2022	395,507	470,757
Deferred tax movement	(43,221)	(75,250)
Balance at 31 March 2023	<u>352,286</u>	<u>395,507</u>

Notes to the accounts
For the Year Ended 31 March 2023

16) General fund

	£
Balance as at 01 April 2022	2,191,631
Surplus for year from income and expenditure account	(1,273,148)
	<u>918,483</u>
Transferred from Investment fund - Quoted	882,252
Balance at 31 March 2023	<u><u>1,800,735</u></u>

17) Investment fund

	Quoted £
Balance as at 01 April 2022	10,002,813
Transferred to General fund	(882,252)
Balance at 31 March 2023	<u><u>9,120,561</u></u>

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 2023 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

In auditing the financial statements, we have concluded that the Committees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Federation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for use.

Our responsibilities and the responsibilities of the Committee with respect to going concern are described in the relevant sections of this report.

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.

Anderson Anderson & Brown Audit LLP

Angus McCuaig (Senior Statutory Auditor)

for and on behalf of Anderson Anderson & Brown Audit LLP

Statutory Auditors

Chartered Accountants

133 Finnieston Street

Glasgow G3 8HB

Date: 4 July 2024