



## **Annual Report and Accounts**

**Year ended 30 June 2020**

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## **Reference and administrative information**

### **Contact details**

<b>Address</b>	Kemp House 152-160 City Road London EC1V 2NX
<b>Web Site</b>	<a href="http://www.police-foundation.org.uk">www.police-foundation.org.uk</a>

### **Trustees and Officers**

<b>Royal Patron</b>	HRH The Prince of Wales
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<b>Trustees</b>	Sir William Jeffrey KCB (Chairman) The Rt. Hon. Sir John Wheeler JP DL (Vice Chairman) Mrs Mary Calam (appointed 1 March 2020) Lord Dholakia of Waltham Brooks PC OBE DL Sir Chris Fox QPM (resigned 3 March 2021) Professor Nicholas Fyfe Sir David Garrard Professor Martin Innes (appointed 17 March 2020) Mr Adrian Leppard CBE QPM MBA BA (Hons) Dame Sara Thornton CBE QPM Mr Stephen Rimmer (appointed 27 October 2020)
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<b>Director</b>	Dr Richard G Muir
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### **Professional Advisers**

<b>Independent Examiners</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
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<b>Solicitors</b>	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE
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<b>Bankers</b>	HSBC UK Bank Plc 129 New Bond Street London W1S 1EA
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<b>Investment Advisers</b>	Investec Wealth & Investment Limited 30 Gresham Street London EC2V 7QN
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## **Trustees' Report**

The Trustees of the Police Foundation present their Annual Report for the year ended 30 June 2020 and the audited financial statements for that year, prepared in accordance with the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP) (FRS102).

The Police Foundation is a registered charity (number 278257). Its address is shown on page 2.

### **Trustees**

The names of the Trustees who served during the year ended 30 June 2020 are listed on page 2.

## **Structure, governance and management**

### **Governing document**

The Police Foundation is a Charitable Trust governed by its Trust Deed dated 9 July 1979. Following discussion with the Charity Commission, the Trust Deed was most recently updated on 11 July 2007.

### **Governance and management**

The Board of Trustees is responsible for the overall governance of the Foundation. The Board meets formally at least twice a year. There were four meetings during the year ended 30 June 2020, the last two being held remotely following the Covid-19 shutdown.

The existing Trustees have the power to appoint new Trustees, and the total number shall not be more than eighteen or less than eight. Each Trustee may serve up to two consecutive four-year terms of office, and thereafter may be reappointed by formal Board resolution for such period as the meeting may resolve.

Any business requiring the involvement of Trustees between Board meetings is conducted through appropriate sub-committees of Trustees, with any decisions required being formally ratified via postal or other means of communication. The routine management of the Foundation is the responsibility of the Director, who reports directly to the Chairman of the Board of Trustees. The Trustees employ a small central staff.

### **Recruitment, induction and training of Trustees**

The Foundation's Trustees are appointed by resolution of the Board following due consideration of nominations received, based on relevant attributes including specialist skills and experience. In addition to meeting key members of the Foundation's staff, new Trustees are provided with an induction pack comprising information on Trustees' responsibilities, a copy of the Trust Deed, the latest Annual Report and Accounts, minutes of Trustees' meetings, and relevant information on the Foundation's current work programme. All Trustees are encouraged to attend relevant seminars and Trustee training courses.

### **Policy for the remuneration of key management personnel**

The Foundation's remuneration policy for all staff is decided by the Trustees. Remuneration is based on the market value for each role. Salary reviews are held on an annual basis. The charity is accredited with the Living Wage Foundation.

### **Public benefit**

The Trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under The Charities Act 2011. The charity is a Public Benefit Entity. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

## **Objects, aims and principal activities**

### **Who we are**

The Police Foundation is the UK's policing think tank. We are the only independent think tank focused exclusively on improving policing. Our mission is to generate evidence and develop ideas which deliver better policing and a safer society. We do this by producing trusted, impartial research, by facilitating informed public debate about policing and by working with the police and their partners to create change.

### **Objects**

The objects of the Police Foundation, as set out in the Trust Deed are:

- the advancement and promotion of efficient and effective policing; and
- to undertake and promote study and research into the methods, organisation and effectiveness of the police and the training of police officers, and to publish the useful results of such study and research.

### **Our mission**

The Police Foundation has three main aims:

- To understand how policing can become more effective, efficient and legitimate;
- To generate new ideas for how the police can keep citizens safe in a rapidly changing world;
- To facilitate informed public debate about policing.

Our mission is realised by:

- Undertaking credible, high-quality applied research of direct relevance to policy and practice.
- Hosting events into specific policing and crime reduction issues.
- Offering training and consultancy to help the police and others transfer evidence and knowledge into policy and practice.
- Communicating our ideas to a wider audience through our networks in policing and beyond and through our use of print, broadcast and digital media.

## **Review of the year ended 30 June 2020**

### **The Strategic Review of Policing in England and Wales**

In September 2019 the Police Foundation launched the Strategic Review of Policing in England and Wales. The Review sets out to examine how crime, fear of crime and other threats to public safety are changing and assess the ability of the police to meet these challenges, as part of a wider strategic response. This far reaching independent review, the first of its kind in many years, is being chaired by Sir Michael Barber and guided by an Advisory Board of former senior police officers, politicians and leading academics. The overall aim of the Review is to set the long-term strategic vision for English and Welsh policing. It will conclude in autumn 2021 with a final report presenting substantial recommendations for a modern service capable of meeting the challenges of the 21<sup>st</sup> century. The Strategic Review of Policing in England and Wales is funded by the Dawes Trust, Deloitte, CGI, Mark 43 and the City of London Corporation.

### **Understanding public attitudes to police priorities**

The Police Foundation, supported by a number of Police and Crime Commissioners, began research in 2019 to develop a deeper understanding of public attitudes towards police priorities; offering insights at both local and national levels. In November 2019, the Foundation published the final report from this project. The project moved beyond standard opinion surveys that ask people what they think the police should prioritise, without providing information about the realities of modern policing. Instead we brought together focus groups of local residents to discuss policing in their area, introduced information about the breadth and intensity of police demand and assessed the extent to which, once they understood these competing issues more fully, their views on priorities changed.

### **Improving the police response to online child sexual exploitation and abuse**

Throughout 2019/20 the Police Foundation has been undertaking a major programme of research on tackling online child sexual exploitation and abuse, funded by the Dawes Trust. We are working with the police, academia, technology companies and charities to find out how we can improve the response to CSEA. We aim to understand what is effective and how law enforcers can better prevent harm, support victims and pursue offenders.

### **Understanding pension scams and the effectiveness of the public policy response**

The Police Foundation has started a research project to better understand the problem of pension scams. It will look at the current response, including how public policy, regulations and law enforcement are applied. It will also consider how enforcement action can be used to tackle pension scammers more effectively and provide a better service to victims. We will produce a set of recommendations to inform policies and practices that are better able to prevent and respond to pension scams.

### **Digital forensics: the next steps**

This project explored the potential value digital forensics can add to investigations when there is a strong national capability, suitable resources and appropriate support for investigators. The project included a review of the existing evidence on the use of digital forensics; analysis of local data, strategic documentation and interviews with stakeholders; and an expert roundtable to examine and evaluate the research findings. A report summarising the research finding was published in 2020/21.

## **Review of the year ended 30 June 2020 continued**

### **Victimisation and fear of crime in the gig economy**

The growth of the food delivery gig economy in London has seen a parallel growth in vehicle thefts and other crime and intimidation. While there is a growing body of research on the gig economy, very little of it takes a criminological look at the gig economy, focusing on victimisation, fear of crime and the response of policing and other public bodies. These issues, and wider problems raised by protests and media reports, point towards a number of key themes that are the focus of this new Police Foundation research project, taking food delivery moped riders working in the gig economy as its focus. The project, funded by the Trust for London, is exploring:

- The nature of the gig economy and its relationship to victimisation and fear of crime, including lone and late-night working without a return to base, the need for the worker to provide their own equipment, and considerations about where and when to work, balancing potential profits and other factors.
- The changing nature of crime in London, in particular the growth of moped-enabled offending.
- The policing response to moped-enabled crime and the victimisation of food deliver moped riders working in the gig economy.

### **Roadcraft**

The Roadcraft series of publications, which is published by The Stationery Office (TSO) and comprises four books (*'Roadcraft: The Police Driver's Handbook'*, *'Motorcycle Roadcraft: The Police Rider's Handbook'*, *'Fleetcraft: The Essential Occupational Driver's Handbook'* and *'Towing Roadcraft: The Essential Towing Handbook'*) and a DVD (*'Roadcraft: The Police Driver's Course on Advanced Driving'*), makes a significant contribution to road safety by improving the driving of both the police, other emergency service drivers and members of the public.

In 2019/20 we undertook a major project to produce new editions of *'Roadcraft: The Police Driver's Handbook'* and *'Motorcycle Roadcraft: The Police Rider's Handbook'*. This work was supported by our Standing Advisory Board of senior stakeholders and our Reflective Practitioners Group (RPG). Several meetings of the RPG were held throughout the year to agree the updated texts and graphics for both books. These were published later in 2020.

### **Annual Conference**

The Police Foundation's eleventh annual conference, held in November 2019, focused on community engagement in policing. Speakers included former Chief Constable Sir George Hamilton, Professor Ian Loader, Professor Ben Bradford and Chief Constable Olivia Pinkney.

### **John Harris Memorial Lecture**

This year our annual John Harris Memorial Lecture was postponed because of the coronavirus pandemic. The next annual lecture will be held in 2021, once it is deemed safe to hold it.

## **Review of the year ended 30 June 2020 continued**

### **Objectives for the year ended 30 June 2021**

The Police Foundation will complete its work on the Strategic Review of Policing in England and Wales in 2021. The Review will publish a final report which will address the role of the police in the 21<sup>st</sup> Century, how the police should work with others, how the police can strengthen their legitimacy, what the future police workforce should look like, how the police service should be funded, how policing should be organised and how policing should be governed and held to account. Our aim is to set out a plan for providing the country with a police service that can help to ensure public safety in the conditions of the 21<sup>st</sup> Century.

The Foundation will also publish a major report on how the policing of online child sexual abuse can be improved, as well as a report (written jointly with Crest Advisory) on what the police service has learned from the coronavirus pandemic. We will publish the findings of a research project aimed at better understanding those who commit fraud, funded by the Home Office. New editions of *Roadcraft* and *Motorcycle Roadcraft* was launched in the autumn of 2020. The Foundation will continue with its events programme, holding its annual conference online for the first time and holding the John Harris Memorial Lecture as soon as conditions allow.

### **Trustees' responsibilities for the accounts**

Charity law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year.

In preparing the accounts the Trustees should:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- follow the recommendations of the Charity Commission and of the accounting profession with regard to form and content of the accounts, or disclose and explain any departures therefrom
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will be able to continue to meet its objectives

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the charity's assets, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

### **Risk management**

The Trustees are ultimately responsible for the management of the risks faced by the Foundation. Together with the Director they identify and assess these risks on a regular basis and consider the systems and controls which have been established to mitigate them. During the year the Trustees spent time at their Board meetings reviewing the most significant risks facing the charity, which would include the risk of being unable to secure future grant funding, consultancy projects and other income, the risk of being unable to retain or recruit key staff members and the risk of damage to the charity's credibility.



## **Review of the year ended 30 June 2020 continued**

### **Trustees' responsibilities for the accounts continued**

#### **Our response to the coronavirus pandemic**

In the second half of the 2019/20 financial year the Foundation, like all other organisations worldwide, was affected by the coronavirus pandemic. The Foundation vacated its London office and switched to home working in March 2020. Incomes were hit in particular because of our inability to hold our regular events and conferences, including our flagship John Harris Memorial Lecture. One research project was also delayed because of our inability to access police headquarters to examine files, pushing income expected in the 2019/20 financial year into 2020/21. The losses on the financial markets also affected the Foundation's investments.

The Trustees met early in the pandemic to review the impact and agreed a set of recommendations from the Director to mitigate the long term financial effects. A fundraising strategy was agreed for the year 2020/21 focusing on raising further funds to support the Strategic Review of Policing. In addition a decision was made to make cost savings by making the switch to remote working a permanent arrangement, saving money on the costs of renting and managing an office in London. With these plans in place the Trustees agreed a plan to generate a surplus of at least £25,000 in the year 2020/21, which would be paid back into the reserves. Our investment advisers were also clear that they expected the financial markets, and the value of our investment portfolio, to recover over the course of the 2020/21 year.

As highlighted below, these actions have been successfully implemented in 2020/21.

#### **Going concern basis for preparation of the accounts**

The Trustees consider the Police Foundation's plans and strategies at each Board meeting. As part of this process they have reviewed the latest income projections, budgets and cash flow forecasts for the period to 30 June 2022, and the assumptions contained therein.

In light of these projections, the Trustees are confident that the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are not material uncertainties that call into doubt the Foundation's ability to continue. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

### **Financial results**

The financial results for the year ended 30 June 2020 are set out in the Statement of Financial Activities on page 11, the Balance Sheet on page 12 and the Cash Flow Statement on page 13, together with the accounting policies and notes to the accounts on pages 14 to 27.

#### *Restricted Funds*

Details of Restricted Funds are set out in note 13 to the accounts on pages 22 and 23.

#### *Unrestricted Funds*

The total unrestricted income for the year ended 30 June 2020 was £155,000, compared with £226,000 in the previous year.

Unrestricted expenditure for the financial year was £204,000, so unrestricted expenditure exceeded unrestricted income by £49,000. There were realised investment gains of £6,000, a decrease in the value of the investment portfolio of £13,000, representing unrealised losses at the balance sheet date, and an actuarial loss on the defined benefit pension scheme of £1,000, so unrestricted funds decreased by a total of £57,000 to £383,000. This compares with a decrease of £113,000 in the year ended 30 June 2019.

## **Financial results continued**

The Foundation's unrestricted funds are held in a managed investment portfolio and as cash on deposit. The charity has a written investment policy, with long term growth and medium risk as the main objectives.

Further details of Unrestricted Funds are set out in note 14 to the accounts on page 24.

### *Fundraising Expenditure*

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

## **Reserves**

The Trustees review the finances of the charity on a regular basis, both in the Finance Sub-committee and at main Trustees' meetings. They consider that reserves of at least six to twelve months' worth of general expenditure are desirable. At 30 June 2020, Restricted funds were £nil. Unrestricted funds at the year-end were £383,000 which represents approximately a year's worth of central staffing and other overhead costs as budgeted for the year ended 30 June 2021. Prior to the coronavirus pandemic, the Foundation was on course to generate a small surplus for the year, but – as noted above- the lock-down following the pandemic led to the cancellation or postponement of a number of projects and events, with an inevitable adverse impact on income. The Trustees and the Director have taken steps to ensure that, where possible, these projects and events take place in 2020/21, in some cases online, to further reduce running costs, including vacating the office by the end of 2020 and moving to remote working, and to identify other sources of income. These actions have been successful and sufficient income has been generated to cover costs in 2020/21 with a surplus projected for 2020/21, which will help to build up reserves once more. The value of the investment portfolio has also recovered from the position at the end of 2019/20.

## **Investment powers, policy and performance**

The Trustees' investment powers are governed by the Trust Deed, which permits the Foundation's funds to be invested in any stocks, shares, funds, securities, land or other investments or property.

The Board's policy is to invest surplus unrestricted funds for a total return by adopting a medium risk investment strategy, while ensuring that sufficient liquid funds are available to meet projected commitments.

Restricted funds are held in cash on deposit because of the need to meet known project expenditure commitments within a relatively short time frame.

The Foundation's investments have continued to be managed in accordance with our policy and the Trust Deed. The portfolio is reviewed at each full meeting of the Board of Trustees, and the investment advisers provide quarterly reports to the Finance Subcommittee of the Trustees.

There were net realised gains on the sale of investments of £6,000 in the year, and net unrealised losses of £13,000 were recorded on revaluation of investments at the end of the financial year. Investment income of £9,000 was received and reinvested during the year.

The performance was in line with expectations given the impact of the coronavirus pandemic on the performance of investments globally.

## **Independent Examiner**

Crowe U.K. LLP have expressed their willingness to continue in office as independent examiner and a resolution proposing their reappointment will be submitted to the forthcoming Trustees' meeting.

Approved by the Board of Trustees on 14<sup>th</sup> April 2021

and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'William Jeffrey', written in a cursive style.

**Sir William Jeffrey**  
**Chairman of Trustees**

## **Independent examiner's report to the Trustees of The Police Foundation**

I report to the Trustees on my examination of the accounts of the Police Foundation for the year ended 30 June 2020 which are set out on pages 11 to 13.

This report is made solely to the charity's Trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's Trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

### **Responsibilities and basis of report**

As the charity Trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Andrew Thomas ACA  
Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW

Date: 19 April 2021

**The Police Foundation**  
Statement of Financial Activities  
Year ended 30 June 2020

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Income from generated funds:</b>					
<i>Voluntary income</i>					
Donations, grants and legacies	2	52,982	295,539	348,521	227,374
<i>Investment income</i>	3	9,203	-	9,203	10,805
<b>Income from charitable activities:</b>					
Fees for consultancy and training		33,604	-	33,604	130,630
Sponsorship and fees for events		13,595	-	13,595	15,603
Sale of publications		45,778	-	45,778	37,479
<b>Total</b>		<b>155,162</b>	<b>295,539</b>	<b>450,701</b>	<b>421,891</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities:</b>					
Undertaking research and influencing policy		166,051	295,539	461,590	408,987
Grant to project partner		-	-	-	6,296
Consultancy and training		28,804	-	28,804	116,402
Publications		8,662	-	8,662	3,188
<b>Total</b>	7	<b>203,517</b>	<b>295,539</b>	<b>499,056</b>	<b>534,873</b>
Net gains/(losses) on investments	10	<b>(7,100)</b>	<b>-</b>	<b>(7,100)</b>	<b>1,575</b>
<b>Net income / (expenditure)</b>		<b>(55,455)</b>	<b>-</b>	<b>(55,455)</b>	<b>(111,407)</b>
Other gains and losses					
Actuarial gains/(losses) on defined benefit pension scheme	18	<b>(1,174)</b>	<b>-</b>	<b>(1,174)</b>	<b>(1,697)</b>
<b>(Net expenditure)</b>		<b>(56,629)</b>	<b>-</b>	<b>(56,629)</b>	<b>(113,104)</b>
<b>Net movement in funds</b>		<b>(56,629)</b>	<b>-</b>	<b>(56,629)</b>	<b>(113,104)</b>
Total funds brought forward		<b>440,097</b>	<b>-</b>	<b>440,097</b>	<b>553,201</b>
<b>Total funds carried forward</b>	13&14	<b>383,468</b>	<b>-</b>	<b>383,468</b>	<b>440,097</b>

All the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The notes on pages 14 to 27 form part of these accounts.

A full analysis of individual restricted funds is given in note 13 on pages 22 and 23.

# The Police Foundation

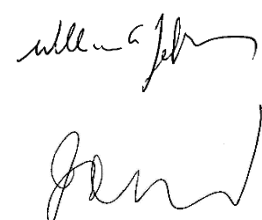
## Balance Sheet

30 June 2020

	Notes	2020	2019
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	9	2,635	2,349
Investments	10	405,730	457,378
		<b>408,365</b>	<b>459,727</b>
<b>CURRENT ASSETS</b>			
Debtors	11	74,498	121,261
Cash at bank and in hand		62,547	73,599
		<b>137,045</b>	<b>194,860</b>
<b>CREDITORS</b>			
Amounts falling due within one year	12	95,072	142,568
<b>NET CURRENT ASSETS</b>		<b>41,973</b>	<b>52,292</b>
Provision for liabilities	18	66,870	71,922
<b>NET ASSETS</b>	15	<b>383,468</b>	<b>440,097</b>
<b>REPRESENTED BY:</b>			
Accumulated funds: Unrestricted funds	14	383,468	440,097
Restricted funds	13	-	-
		<b>383,468</b>	<b>440,097</b>

Approved by the Board of Trustees on 14<sup>th</sup> April 2021 and signed on its behalf by:

Sir William Jeffrey )  
 )  
 Trustees )  
 Sir John Wheeler )  
 )



The notes on pages 14 to 27 form part of these accounts.  
 A full analysis of individual restricted funds is given in note 13 on pages 22 and 23.

Charity Number 278257

**The Police Foundation**  
Cash Flow Statement  
Year ended 30 June 2020

	2020 £	2019 £
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities</b>	<b>(57,355)</b>	<b>(170,698)</b>
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	92	220
Sale/(purchase) of property, plant and equipment	(3,789)	-
Sale/(purchase) of investments	<u>50,000</u>	<u>100,000</u>
<b>Net cash provided by (used in) investing activities</b>	<b>46,303</b>	<b>100,220</b>
Change in cash and cash equivalents in the reporting period	(11,052)	(70,478)
Cash and cash equivalents at the beginning of the reporting period	73,599	144,077
Cash and cash equivalents at the end of the reporting period	<u><u>62,547</u></u>	<u><u>73,599</u></u>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(56,629)	(113,104)
Adjustments for:		
Depreciation charges	3,503	6,397
(Gains)/losses on investments	7,100	(1,575)
Dividends, interest and rents from investments	(9,203)	(10,805)
Investment management fees	3,659	3,901
(Increase)/decrease in debtors	46,763	(89,756)
Increase/(decrease) in creditors	(52,548)	34,244
Net cash provided by (used in) operating activities	<u><u>(57,355)</u></u>	<u><u>(170,698)</u></u>
Cash in hand	62,547	73,599
Notice deposits	<u>-</u>	<u>-</u>
<b>Total cash and cash equivalents</b>	<u><u>62,547</u></u>	<u><u>73,599</u></u>

## **1. ACCOUNTING POLICIES**

### **a) Basis of preparation of the accounts**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. The Foundation constitutes a public benefit entity as defined by FRS 102.

As detailed in the Trustees Report, the trustees have reviewed the latest income projections, budgets and cash flow forecasts for the period to 30 June 2022, and the assumptions contained therein. In light of these projections, the Trustees are confident that the Foundation has adequate resources to continue in operational existence for the foreseeable future and that there are not material uncertainties that call into doubt the Foundation's ability to continue. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

### **b) Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

### **c) Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **d) Tangible fixed assets**

Tangible fixed assets are capitalised where the item costs in excess of £500. Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Leasehold property improvements	-	over the term of the lease of 5 years
Office furniture and equipment	-	over the term of the office lease of 5 years
Computer equipment	-	over 2 years

### **e) Investments**

Investments are stated in the balance sheet at market value. Gains or losses arising on revaluation at each financial year end, and on sales of investments, are credited or charged in the SOFA.

### **f) Restricted funds**

Restricted funds are established where monies are received for specific purposes, such as particular research projects. A separate fund is established for each individual project, and relevant expenditure is charged thereto

### **g) Investments**

Compromise monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the Trustees.



## **The Police Foundation**

Notes to the Accounts (continued)

Year ended 30 June 2020

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### **1. ACCOUNTING POLICIES (continued)**

#### **h) Operating leases**

The rentals payable under operating leases are charged in the SOFA on a straight-line basis over the lease term.

#### **j) Financial instruments**

The Police Foundation 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise trade creditors and accruals.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

#### **j) Pension costs**

The Foundation makes contributions to a defined contribution pension scheme in accordance with the requirements of Auto Enrolment. The contributions are accounted for as they become payable. The Foundation previously participated in a multi-employer defined benefit scheme. Deficit recovery payments are accounted for as they become payable, and accounting adjustments are in accordance with FRS102 and as described in full in Note 18.

#### **k) Taxation**

No provision is made for corporation tax, as the Foundation is able to claim full statutory exemption subject to the proper application of all its charitable resources.

#### **l) Debtors**

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

#### **m) Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

#### **n) Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short-term deposits.

## The Police Foundation

Notes to the Accounts (continued)

Year ended 30 June 2020

### 1. ACCOUNTING POLICIES (continued)

#### o) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Foundation's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

### 2. DONATIONS AND GRANTS

	2020	2019
	£	£
<b>Unrestricted Funds</b>		
During the year, unrestricted donations and grants of £5,000 or more were received from the following:		
The Tompkins Foundation	25,000	25,000
The Basil Samuel Charitable Trust	5,000	-
Sir William Jeffrey	5,000	-
HMRC – CJRS grant for furloughed staff	10,587	-
Other smaller grants and donations	7,395	6,120
	<b>52,982</b>	<b>31,120</b>

#### Restricted Funds

During the year, grants to fund specific projects were received from the following:

The Dawes Trust	148,889	125,925
Deloitte	40,000	-
The Home Office	30,000	-
Trust for London	28,800	-
NPCC commission/Dorset Police	29,400	-
University of Leeds	4,000	-
B&CE	9,600	15,400
KPMG	4,850	4,850
Other – year ended 30 June 2019	-	50,079
	<b>295,539</b>	<b>196,254</b>

**The Police Foundation**

Notes to the Accounts (continued)

Year ended 30 June 2020

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<b>3. INVESTMENT INCOME</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	
Investment income was derived from the following:		
Listed investments	<b>9,111</b>	<i>10,585</i>
Cash held on deposit	<b>92</b>	<i>220</i>
	<b>9,203</b>	<i>10,805</i>

<b>4. RESOURCES EXPENDED</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
The expenditure for the year includes:		
Staff costs (note 6)	<b>368,472</b>	<i>316,320</i>
Audit fees	<b>-</b>	<i>6,550</i>
Independent examination fees	<b>4,000</b>	<i>-</i>
Depreciation	<b>3,503</b>	<i>6,397</i>

No remuneration was paid to any of the Trustees. Expenses for reimbursed travel expenses relating to attendance at Trustees' meetings were £267 (2019 – £nil).

<b>5. OTHER COSTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Governance costs comprise:		
Audit fees	<b>-</b>	<i>6,550</i>
Independent examination fees	<b>4,000</b>	<i>-</i>
Trustees' travel expenses	<b>267</b>	<i>-</i>
Investment management charges	<b>3,659</b>	<i>3,901</i>

# The Police Foundation

Notes to the Accounts (continued)

Year ended 30 June 2020

## 6. EMPLOYEES

### Staff costs comprise:

	2020 £	2019 £
Wages and salaries	319,397	273,228
Employers' National Insurance costs	31,494	28,073
Pension costs	17,581	15,019
	<b>368,472</b>	<b>316,320</b>

	No.	No.
The average number of employees during the year was:		
Full time	7	5
Part time (full-time equivalent)	<u>1</u>	<u>1</u>
	<b>8</b>	<b>6</b>
The number of higher paid employees was:		
£90,000 - £100,000	1	1

Total pension contributions for the above staff member was £4,537 (2019: £4,433)

Key management personnel constitute the charity director. Total remuneration for the key management personnel was £106,608 (£104,505 – year ended 30 June 2019).

## 7. TOTAL RESOURCES EXPENDED

	Staff costs £	Direct costs £	Support Costs £	2020 Total £	2019 Total £
<b>Unrestricted funds</b>					
<b>Charitable activities:</b>					
Undertaking research and influencing policy	76,732	-	76,444	153,176	219,029
Consultancy and training	3,961	33,952	-	37,913	116,402
Publications	3,766	8,662	-	12,428	3,188
<b>Total: Unrestricted funds</b>	<b>84,459</b>	<b>42,614</b>	<b>76,444</b>	<b>203,517</b>	<b>338,619</b>
<b>Restricted funds</b>					
Undertaking research and influencing policy	284,013	11,526	-	295,539	189,958
Transfer of grant to project partner	-	-	-	-	6,296
<b>Total: Restricted funds</b>	<b>284,013</b>	<b>11,526</b>	<b>-</b>	<b>295,539</b>	<b>196,254</b>
<b>Total resources expended</b>	<b>368,472</b>	<b>54,140</b>	<b>76,444</b>	<b>499,056</b>	<b>534,873</b>

**The Police Foundation**

Notes to the Accounts (continued)

Year ended 30 June 2020

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - year ended 30 June 2019**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Income from generated funds:</b>			
<i>Voluntary income</i>			
Donations, grants and legacies	31,120	196,254	227,374
<i>Investment income</i>	10,805	-	10,805
<b>Income from charitable activities:</b>			
Fees for consultancy and training	130,630	-	130,630
Sponsorship and fees for events	15,603	-	15,603
Sale of publications	37,479	-	37,479
<b>Total</b>	<b>225,637</b>	<b>196,254</b>	<b>421,891</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities:</b>			
Undertaking research and influencing policy	219,029	189,958	408,987
Grant to project partner	-	6,296	6,296
Consultancy and training	116,402	-	116,402
Publications	3,188	-	3,188
<b>Total</b>	<b>338,619</b>	<b>196,254</b>	<b>534,873</b>
Net gains / (losses) on investments	1,575	-	1,575
<b>Net income / (expenditure)</b>	<b>(111,407)</b>	<b>-</b>	<b>(111,407)</b>
Other Gains and losses			
Actuarial gains/(losses) on defined benefit pension scheme	(1,697)	-	(1,697)
<b>Net movement in funds</b>	<b>(113,104)</b>	<b>-</b>	<b>(113,104)</b>
Total funds brought forward	553,201	-	553,201
<b>Total funds carried forward</b>	<b>440,097</b>	<b>-</b>	<b>440,097</b>

## 9. TANGIBLE FIXED ASSETS

	Short Leasehold Property Improvements £	Office Furniture and Equipment £	Total £
<b>Cost</b>			
1 July 2019	11,163	15,724	26,887
Additions	-	3,789	3,789
Disposals	(11,163)	-	(11,163)
<b>At 30 June 2020</b>	<b>-</b>	<b>19,513</b>	<b>19,513</b>
<b>Depreciation</b>			
1 July 2019	10,048	14,490	24,538
Charge for the year	1,115	2,388	3,503
On disposals	(11,163)	-	(11,163)
<b>At 30 June 2020</b>	<b>-</b>	<b>16,878</b>	<b>16,878</b>
<b>Net Book Value</b>			
<b>At 30 June 2020</b>	<b>-</b>	<b>2,635</b>	<b>2,635</b>
<i>Net Book Value</i> <i>At 30 June 2019</i>	<i>1,115</i>	<i>1,234</i>	<i>2,349</i>

## 10. INVESTMENTS

	2020 £	2019 £
Market value at beginning of financial year	457,378	549,118
Withdrawals in the year	(50,000)	(100,000)
Income reinvested	9,111	10,585
Fund management fees	(3,659)	(3,900)
Net gains/(losses) on disposals in the year	6,082	34,286
Net gains/(losses) on revaluation at financial year end	(13,182)	(32,711)
Market value at end of financial year	405,730	442,618

	2020		2019	
	Cost £	Market Value £	Cost £	Market value £
UK Fixed Interest	27,923	29,577	62,977	63,462
Overseas Fixed Interest	38,208	40,545	28,845	29,753
UK Equities	126,377	107,693	163,217	161,569
European Equities	19,498	23,263	24,024	26,970
North American Equities	20,670	21,008	26,609	32,128
Japanese Equities	-	-	15,572	14,680
Far East & Australasian Equities	15,964	18,770	15,964	18,250
International Equities	46,266	56,757	21,335	27,493
Emergency Economies	11,873	16,445	-	-
UK Property	20,284	11,592	24,849	23,027
Alternative Assets	44,177	46,922	44,177	44,997
Cash	33,158	33,158	15,049	15,049
	404,398	405,730	442,618	457,378

**The Police Foundation**

## Notes to the Accounts (continued)

Year ended 30 June 2020

**11. DEBTORS**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Accrued income and prepayments	<b>67,507</b>	<i>60,121</i>
Social security and other taxes	<b>564</b>	<i>-</i>
Other debtors	<b>6,427</b>	<i>61,140</i>
	<b><u>74,498</u></b>	<i><u>121,261</u></i>

Accrued income and prepayments include accrued income of £61,300 at 30 June 2020. Accrued income at 30 June 2019 was £58,934. Accrued income represents the value of work completed but not yet invoiced in respect of several research projects and publishing income.

**12. CREDITORS:** Amounts falling due within one year

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Social security and other taxes	<b>8,277</b>	<i>13,133</i>
Other creditors	<b>118</b>	<i>3,623</i>
Accruals and deferred income	<b>86,677</b>	<i>125,812</i>
	<b><u>95,072</u></b>	<i><u>142,568</u></i>

Deferred income at 30 June 2020 was £73,000, representing income received in advance for two projects, which will be recognised in the SOFA for the year ended 30 June 2021. Deferred income at 30 June 2019 was £93,738, which was recognised in the SOFA for the year ended 30 June 2020. Grant income is received in advance of each stage of a project commencing but is only recognised in the SOFA on the completion of the specified work for that stage of the project.

## The Police Foundation

Notes to the Accounts (continued)

Year ended 30 June 2020

### 13. RESTRICTED FUNDS

Restricted funds are established where monies have been received for specific purposes or projects as itemised below. A separate fund is established for each individual project, and relevant expenditure is charged thereto. An analysis of movements on individual restricted funds during the year ended 30 June 2020 is given below.

*The Strategic Review of Policing in England and Wales* funded by the Dawes Trust, Deloitte and CGI

*Online Child Sexual Exploitation and Abuse* funded by The Dawes Trust

*Pathways into Fraud* funded by the Home Office

*Crime in the gig economy* funded by Trust for London

*Digital Forensics*

*Police Leadership Symposium*

*Police Policy Dinners* funded by KPMG.

*Understanding Pension Fraud* funded by B&CE.

Name of project fund	Funds held 30 June 2019 £	Incoming resources £	Grant paid £	Resources expended £	Funds held 30 June 2020 £
The Strategic Review of Policing	-	100,000	-	(100,000)	-
Online Child Sexual Exploitation and Abuse	-	88,889	-	(88,889)	-
Pathways into Fraud	-	30,000	-	(30,000)	-
Crime in the gig economy	-	28,800	-	(28,800)	-
Digital Forensics	-	29,400	-	(29,400)	-
Police Leadership Symposium	-	4,000	-	(4,000)	-
Police Policy Dinners	-	4,850	-	(4,850)	-
Understanding Pension Fraud	-	9,600	-	(9,600)	-
	-	295,539	-	(295,539)	-



# The Police Foundation

Notes to the Accounts (continued)

Year ended 30 June 2020

## 13. RESTRICTED FUNDS continued

*Improving the Local Response to Fraud* funded by The Dawes Trust

*Online Child Sexual Exploitation and Abuse* funded by The Dawes Trust

*Data Led Policing* funded by Accenture, British Telecom and Bath University

*The Impact of Police Foundation Research* funded by The Dawes Trust

*Community Based Approaches for Women* funded by Barrow Cadbury

*Understanding Police Intelligence* funded by Barrow Cadbury

*Transforming Learning and Development* funded by MOPAC and the Open University

*Police Policy Dinners* funded by KPMG

*Pension Fraud* funded by B&CE

Name of project fund	Funds held 30 June 2018 £	Incoming resources £	Grant paid £	Resources expended £	Funds held 30 June 2019 £
Improving the Local Response to Fraud	-	27,512	(6,296)	(21,216)	-
Online Child Sexual Exploitation and Abuse	-	71,112	-	(71,112)	-
Data Led Policing	-	16,333	-	(16,333)	-
The Impact of Police Foundation Research	-	27,300	-	(27,300)	-
Community Based Approaches for Women	-	10,112	-	(10,112)	-
Understanding Police Intelligence	-	12,000	-	(12,000)	-
Transforming Learning and Development Event	-	11,635	-	(11,635)	-
Police Policy Dinners	-	4,850	-	(4,850)	-
Pension Fraud	-	15,400	-	(15,400)	-
	-	196,254	(6,296)	(189,958)	-

**The Police Foundation**  
Notes to the Accounts (continued)  
Year ended 30 June 2020

**14. UNRESTRICTED FUNDS**

Analysis during year ended 30 June 2020	Funds held 30 June 2019	Incoming resources	Resources expended	Net gains / (losses) on investment	Actuarial gains / (losses) on DB pension scheme	Funds Held 30 June 2020
	£	£	£	£	£	£
Unrestricted funds	<u>440,097</u>	<u>155,162</u>	<u>(203,517)</u>	<u>(7,100)</u>	<u>(1,174)</u>	<u>383,468</u>
Analysis during year ended 30 June 2019	Funds Held 30 June 2018	Incoming resources	Resources expended	Net gains on investment	Actuarial gains / (losses) on DB pension scheme	Funds held 30 June 2019
	£	£	£	£	£	£
Unrestricted funds	<u>553,201</u>	<u>225,637</u>	<u>(338,619)</u>	<u>1,575</u>	<u>(1,697)</u>	<u>440,097</u>

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

As at 30 June 2020:	Unrestricted funds £	Restricted funds £	Total Funds £
Fixed Assets	2,635	-	2,635
Investments	405,730	-	405,730
Debtors	31,198	43,300	74,498
Cash at bank and in hand	32,847	29,700	62,547
Creditors	(22,072)	(73,000)	(95,072)
Provision for liabilities	(66,870)	-	(66,870)
	<u>383,468</u>	<u>-</u>	<u>383,468</u>

At 30 June 2020 there were accumulated net unrealised losses on investments of £13,182 (2019 losses - £32,711) which form part of the total accumulated unrestricted funds.

As at 30 June 2019:	Unrestricted funds £	Restricted funds £	Total Funds £
Fixed Assets	2,349	-	2,349
Investments	457,378	-	457,378
Debtors	41,727	79,534	121,261
Cash at bank and in hand	62,278	11,321	73,599
Creditors	(51,713)	(90,855)	(142,568)
Provision for liabilities	(71,922)	-	(71,922)
	<u>440,097</u>	<u>-</u>	<u>440,097</u>

## 16. OPERATING LEASES

At 30 June 20 the Foundation had commitments under operating leases as detailed below:

	Property £	Office equipment £	<b>Total 2020 £</b>	<i>Total 2019 £</i>
Within one year	10,200	1,158	<b>11,358</b>	<i>14,253</i>
2 to 5 years	-	-	-	<i>42,979</i>
	<u>10,200</u>	<u>1,158</u>	<u><b>11,358</b></u>	<u><i>57,232</i></u>

Following the beginning of the coronavirus pandemic, it was decided that the Police Foundation would vacate the charity's office at Edinburgh House by 31 December 2020 and that the charity's staff would work remotely. The additional costs incurred by closing the office are expected to be no more than £5k.

## 17. RELATED PARTY TRANSACTIONS

There are no further disclosures required in respect of Related Party Transactions. (2019: Nil)

## 18. PENSION COSTS

### *The Pensions Trust CARE Scheme*

From 1 August 2005 the Foundation participated in a multi-employer average salary defined benefits pension scheme, the Pensions Trust CARE Scheme. It is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the Foundation. The CARE Scheme has various different sections, and the section to which Police Foundation employees belonged was the one-eightieth average salary defined benefits section of the CARE Scheme. The main benefits provided by this particular section of the Scheme were a pension of one-eightieth of a member's career average revalued earnings for each year (and months proportionately) of pensionable service if contracted-out of the State scheme. Employers paid contributions at the rate of 10.0% of earnings up to 1 April 2012, and 10.6% thereafter. Members paid contributions based on an age-related scale.

From 1 October 2014, those employees who were members of the CARE Scheme were transferred from the one-eightieth defined benefit section of the CARE Scheme to the defined contribution section. From that date the employer's contributions were 10% and the members contributed 7%.

No employer's contribution was made by the Foundation to the CARE Scheme in the year ended 30 June 2020. The Foundation made deficit recovery payments of £8,013 (2019 - £7,786) – see details in the next paragraph.

A full actuarial valuation of the Scheme is commissioned every 3 years, with annual funding statements provided by the scheme's actuary. At 30 September 2016, the actuary's funding statement shows a deficit of assets compared to liabilities of £24.9 million – a substantial increase over the reported deficit at 30 September 2013 of £16.4 million. Employers are being asked to make deficit recovery payments. The Foundation's share of these additional payments was assessed initially at £1,100 per annum from 1 April 2012, increasing by 3% at each subsequent 1 April for a period of 10 years.

# **18. PENSION COSTS continued**

The formal valuation of the Scheme at 30 September 2013 was completed in the spring of 2015 with the Foundation's share of deficit recovery payments being increased to £7,591 per annum from 1 July 2015 and thereafter increasing by 3% at each subsequent 1 July until 30 April 2027. This would mean that the Foundation would be required to contribute total deficit recovery payments, and charges, of £104,000 between 1 July 2015 and 30 April 2027. Following the completion of the 30 September 2016 valuation, the schedule of monthly deficit recovery payments and charges was extended to include the period from 1 May 2027 to 30 November 2028, with an annual increase of 3% on 1 April 2028 – the total payable in this period is expected to be £17,000.

Following consultations with the participating employers in May 2015, the Trustee of the Scheme, at a meeting held on 7 July 2015, finalised the decision to close the Scheme to the further accrual of benefits with effect from 31 March 2016. From 1 July 2015, there was only one member of the Scheme employed by the Police Foundation, and, by 1 April 2016, alternative pension arrangements were in place for this employee. The scheduled deficit recovery payments will continue as outlined above, and the next formal valuation of the Scheme will be at 30 September 2019, with the outcome known by 1 April 2021.

## **PRESENT VALUES OF PROVISION**

	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2018</b>
	<b>(£s)</b>	<b>(£s)</b>	<b>(£s)</b>
Present Value of provision	66,870	71,922	75,817

## **RECONCILIATION OF OPENING AND CLOSING PROVISIONS**

	<b>Period Ending</b>	<b>Period Ending</b>
	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>(£s)</b>	<b>(£s)</b>
Provision at start of period	71,922	75,817
Unwinding of the discount factor (interest expense)	974	1,398
Deficit contribution paid	(7,200)	(6,990)
Re-measurements – impact of any change in assumptions	1,174	1,697
Re-measurements – amendments to the contributions schedule	-	-
Provision at end of period	66,870	71,922

## **INCOME AND EXPENDITURE IMPACT**

	<b>Period Ending</b>	<b>Period Ending</b>
	<b>30 June 2020</b>	<b>30 June 2019</b>
	<b>(£s)</b>	<b>(£s)</b>
Interest expense	974	1,398
Re-measurements – impact of any change in assumptions	1,174	1,697
Re-measurements – amendments to the contributions schedule	-	-
Contributions paid in respect of future service	-	-
Costs recognised in income and expenditure account	-	-

Includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

**18. PENSION COSTS continued**

ASSUMPTIONS	30 June 2020 % per annum	30 June 2019 % per annum	30 June 2018 % per annum
Rate of discount	1.01	1.43	1.94

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Up until 1 June 2016, all new employees of The Foundation were offered a contribution to a personal pension scheme of their choice (see *Other pension costs* below).

*Other pension costs*

Until 31 May 2016, on completion of any probationary period, employees who were not eligible to join the Pensions Trust CARE Scheme were offered an employer contribution of 5% of salary to a personal pension scheme of their choice.

On 1 June 2016, the charity auto enrolled its employees into a Defined Contribution Pension Scheme, postponing the scheme until 1 September 2016. In July 2016 some employees opted into the scheme, and the appropriate contributions were paid from that date. Contributions paid into individual staff personal pension schemes have ceased from the earlier of the date on which each employee chose to opt into the Auto Enrolment pension scheme at 1 September 2016.

Total employer's contributions made by the Foundation to individual staff personal pension schemes in the year ended 30 June 2020 were £17,581 (2019 – £15,019).