

REGISTERED CHARITY NUMBER: 1087525

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2016
for
West Mercia Police Welfare Fund**

The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

CHARITY COMMISSION
FIRST CONTACT

- 6 MAR 2017

ACCOUNTS
RECEIVED

West Mercia Police Welfare Fund
Contents of the Financial Statements
for the Year Ended 31st March 2016

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 11
Detailed Statement of Financial Activities	12

West Mercia Police Welfare Fund

Report of the Trustees for the Year Ended 31st March 2016

The trustees present their report with the financial statements of the charity for the year ended 31st March 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The aims of the charity fully reflect the legal objects and purposes that the charity was set up to further.

The principal activities and objectives of the Charity during the year were:

To relieve, in cases of need, contributing members, past and present, of the West Mercia Constabulary and their families and dependents who are sick, convalescent, disabled, handicapped or infirm or may be in necessitous or impoverished condition, or who are suffering from temporary financial hardship, by providing, or paying for, items, services or facilities which are calculated to alleviate the suffering or assist the recovery of such persons in such cases, but are not readily available from other sources, or by providing monetary grants or loans. Such grants or loans will be at the discretion of the executive committee upon such terms as seem fit.

Ensuring our work delivers our aims

Each year our aims, objectives and activities are reviewed, based on the outcome of our work in the previous 12 months, to ensure they still reflect and further our aims and legal purposes. In our planning, setting objectives and determining our activities the trustees have paid due regard to the 'General Guidance on Public Benefit' published by the Charity Commission. In so doing, the Trustees consider the activities planned and how they further the aims and objectives they have set. The success of activities is reviewed each year in the context of benefits they bring to those groups of people we are set up to help.

Social investments

By carrying out our aims and objectives the trustees have demonstrated their due regard to the guidance published by the Charity Commission on public benefit by promoting the efficiency of the police service together with assisting former members and their dependents who otherwise would be reliant on public funds for any assistance.

Grant and loan making policy

Emergency grants and loans are made by the Executive Committee following the procedures as set out in the Constitution. Applications are received by the Fund and then given consideration by a minimum of three members of the Executive Committee, one of whom must be an honorary officer.

The grants and loans made by the three members are then reported to the full Executive Committee at the next meeting of the said Committee.

The Executive Committee meets quarterly and receives grant and loan applications and approves Emergency Grants already provided.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The results for the year are as set out in the Statement of Financial Activities on page 5.

The charity receives income, principally from the members as subscriptions. The subscription received contains two elements which constitute restricted funds, namely subscriptions to The Convalescent Home and the St George's Fund. The element of the subscription relating to these two items is passed straight on to the relevant bodies.

In addition the charity operates a members only lottery and the surpluses from this source are used generally by the charity. Donations are received from a variety of sources, in many instances from members of the public in gratitude for assistance given them by members of the Force.

Investment performance

The only investments which generate income are the sums of money held in the bank accounts and the investments managed by Morgan Stanley Quilter (see note 4 to the financial statements). The bank accounts are interest bearing accounts operated by The Unity Trust Bank.

The charity, due to its size and nature, has no formalised process to enable it to measure the success of its actions excepting that it continues to support the force members.

West Mercia Police Welfare Fund

Report of the Trustees for the Year Ended 31st March 2016

FINANCIAL REVIEW

Investment policy and objectives

There are some restrictions on the charity's power to invest. These restrictions are, however, consistent with a prudent approach to investment strategy. The strategy is such that the funds will be invested in low and medium risk investments with a view to ensuring that capital appreciation is achieved which exceeds inflation. The fund investment strategy is reviewed with independent advisers and a revised strategy adopted based upon their recommendations, such reviews are performed on an annual basis such that a report may be made to the AGM.

Reserves policy

It is the policy of the Charity to maintain such liquid reserves (unrestricted) as will enable it to meet all its expenditure requirements for a period of at least six months. The charity now has to fund administration expenditure and reserves are held to cover payments made while pursuing the charity's objectives as well as administration charges levied by West Mercia Joint Branch Board (Police Federation).

In the light of the substantial reserves currently held, the executive committee is giving consideration to the purchase of a property to be used for convalescent purposes. Location, costs etc are currently being researched.

FUTURE PLANS

The trustees believe that the charity achieved its objectives in the year under review but recognise that they must make some strategic decisions in the future because of:-

The accumulation of reserves compared to the level of annual expenditure.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The West Mercia Constabulary Welfare Fund is constituted under a trust deed dated 25 April 2001, as amended 2 October 2013 and is a registered charity no: 1087525

Recruitment and appointment of new trustees

The Executive Committee consists of not less than 7 nor more than 12 nominated members. The members of the Executive Committee are elected annually at the Annual General Meeting as follows:

One member by the Assistant Chief Constables of the force.

One member by the Superintendent's Association of the force.

Ten members by the Police Federation Joint Branch Board of the force, one of whom must be a female.

In addition one member of the Force Welfare Department and one member of NARPO shall be co-opted members with voting rights. Other persons may be co-opted onto the Committee without voting rights.

The Chairman, Vice Chairman, Secretary and Treasurer are elected by the members from those elected to the Executive Committee.

Induction and training of new trustees

New trustees attend a course on trustee responsibilities as soon as is practicable after becoming appointed.

Related parties

The Charity has no staff or administration centre. All costs of this nature are met by the West Mercia Constabulary Joint Branch Board through the Police Federation office which may recharge some of the administration cost.

Members of the Executive Committee are not remunerated, they do, however, receive reimbursement of expenses when they visit current and former members of the Force who may be ill, incapacitated or in need of Welfare Fund support, such expenditure is itemised in the Notes to the financial statements.

The day to day administration of the charity is performed by the Officers, namely, Chairman, Vice Chairman and Secretary/Treasurer as named on page 3.

The Holding Trustees are elected and appointed by the Executive Committee and follow the Executive Committee's directions. Fund Rules were changed after the year end such that the Chairman, Secretary and Treasurer shall be the holding trustees rather than named individuals. This is to streamline the processes when the holders of the aforementioned Offices change.

The Holding Trustees act as custodians of all investments held by the Charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1087525

West Mercia Police Welfare Fund

**Report of the Trustees
for the Year Ended 31st March 2016**

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address

United House
De Salis Drive
Hampton Lovett
Droitwich
Worcestershire
WR9 0QE

Trustees

Mr Jamie Harrison
Supt Kevin Purcell
PC Pete Lowe

- resigned 11.1.16

Independent examiner

Rob Richards ACA, CTA, FCCA
The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

Executive Committee members

Russ Yeomans
Sgt Dougie Gray
PC Jamie Harrison
Sgt Nigel Mortimer
Sgt Dougie Gray
Sgt Nigel Mortimer
CC David Shaw
Supt Kevin Purcell
Insp Simon Arinze
Insp Scott Harris
Insp Paul Franks
PC Jayne Willetts
Sgt Ian Williams
PC Phil Collins
PC Sarah Cooper
PS Russ Yeomans
PC Pete Lowe
PS Keith Steele
PC Chris Thomas

Chairman - Appointed 10 June 2015
Vice Chairman - resigned 31 December 2015
Secretary
Assistant Secretary
Treasurer - resigned 31 December 2015
Assistant Treasurer

Appointed 11 January 2016
Resigned 10 December 2015

Appointed 11 January 2016

Resigned 31 July 2015

Resigned 11 January 2016
Appointed 11 January 2016
Appointed 11 January 2016

Allan Hand

Welfare Officer

Mike Niccolls

NARPO

The Executive Committee presents its report and the independently examined statements for the Year Ended 31 March 2015.

Approved by order of the board of trustees on 13th June 2016 and signed on its behalf by:

Mr Jamie Harrison - Trustee

A handwritten signature in black ink, appearing to be 'JH', with a long horizontal line extending to the right.

**Independent Examiner's Report to the Trustees of
West Mercia Police Welfare Fund**

I report on the accounts for the year ended 31st March 2016 set out on pages five to eleven.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Rob Richards ACA, CTA, FCCA
The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

13th June 2016

West Mercia Police Welfare Fund

**Statement of Financial Activities
for the Year Ended 31st March 2016**

		Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies		48,022	99,163	147,185	146,066
Investment income	2	265	-	265	358
Total		48,287	99,163	147,450	146,424
 EXPENDITURE ON					
Charitable activities					
Charitable		94,100	99,163	193,263	149,711
NET INCOME/(EXPENDITURE)		(45,813)	-	(45,813)	(3,287)
 Other recognised gains/(losses)					
Gains/(losses) on investment assets		(14,798)	-	(14,798)	18,726
Net movement in funds		(60,611)	-	(60,611)	15,439
 RECONCILIATION OF FUNDS					
Total funds brought forward		642,541	-	642,541	627,102
 TOTAL FUNDS CARRIED FORWARD		581,930	-	581,930	642,541

The notes form part of these financial statements

West Mercia Police Welfare Fund

**Balance Sheet
At 31st March 2016**

		Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
	Notes				
FIXED ASSETS					
Investments	5	338,528	-	338,528	360,488
CURRENT ASSETS					
Debtors	6	85,747	-	85,747	96,379
Cash at bank		227,393	-	227,393	188,656
		<u>313,140</u>	-	<u>313,140</u>	<u>285,035</u>
CREDITORS					
Amounts falling due within one year	7	(69,738)	-	(69,738)	(2,982)
NET CURRENT ASSETS		<u>243,402</u>	-	<u>243,402</u>	<u>282,053</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>581,930</u>	-	<u>581,930</u>	<u>642,541</u>
NET ASSETS		<u>581,930</u>	-	<u>581,930</u>	<u>642,541</u>
FUNDS	8				
Unrestricted funds				581,930	642,541
Restricted funds				-	-
TOTAL FUNDS				<u>581,930</u>	<u>642,541</u>

The financial statements were approved by the Board of Trustees on 13th June 2016 and were signed on its behalf by:

Mr Jamie Harrison -Trustee



West Mercia Police Welfare Fund

Notes to the Financial Statements for the Year Ended 31st March 2016

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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.

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 cost 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds and donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose are available as general funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria, is charged to the restricted funds.

INVESTMENT INCOME

Investment income is accounted for in the period in which the charity is entitled to receipt.

DONATIONS

Donations are accounted for when received.

When donors specify that a donation is for a particular restricted purpose the income is included in incoming resources of the restricted funds when received.

GRANTS

Grants are paid to eligible members to alleviate hardship and are not repayable.

LOANS

Loans are granted to eligible members to alleviate hardship and are repayable over a set number of instalments.

INCOME TAX REFUNDS

Income tax refunds in respect of Gift Aid are accounted for in the period in which the charity receives the refund.

INVESTMENTS

Investments are held at market value and revalued annually. The changes in market value of investments during the year are recognised as income and comprise all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments and unrealised in market value. Any unrealised gains at the year end are held within the designated Revaluation reserve fund.

FIXED ASSETS

The Charity has no fixed assets so there is no depreciation at present.

West Mercia Police Welfare Fund

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2016**

2. INVESTMENT INCOME

	2016	2015
	£	£
Deposit account interest	265	358

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2016 nor for the year ended 31st March 2015.

TRUSTEES' EXPENSES

Executive Committee

The constitution does not provide for any remuneration to be paid to members of the Executive Committee.

During the year no remuneration has been paid to any member of the Committee. Expenses of £142 (2015 - £19) have been reimbursed.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	44,125	101,941	146,066
Investment income	358	-	358
Total	44,483	101,941	146,424
EXPENDITURE ON			
Charitable activities			
Charitable	47,770	101,941	149,711
Total	47,770	101,941	149,711
NET INCOME/(EXPENDITURE)	(3,287)	-	(3,287)
Other recognised gains/(losses)			
Gains/(losses) on investment assets	18,726	-	18,726
Net movement in funds	15,439	-	15,439
RECONCILIATION OF FUNDS			
Total funds brought forward	627,102	-	627,102
TOTAL FUNDS CARRIED FORWARD	642,541	-	642,541

West Mercia Police Welfare Fund

Notes to the Financial Statements - continued for the Year Ended 31st March 2016

5. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2015	360,488
Additions	88,334
Disposals	(95,211)
Revaluations	(9,041)
Impairments	(6,042)
At 31st March 2016	<u>338,528</u>
 NET BOOK VALUE	
At 31st March 2016	<u>338,528</u>
At 31st March 2015	<u>360,488</u>

There were no investment assets outside the UK.

Historical cost of investments held at 31 March 2016 is £271,361 (2015 - £257,399)

Investments at market value comprised of:

	2016 £	2015 £
UK Fixed Interest	8,337	8,631
UK Gilts	3,952	3,943
Overseas fixed interest	6,089	6,273
Equities - UK	135,298	173,927
Equities - US	79,805	77,411
Equities - Europe	29,231	28,988
Equities - Far East	24,749	26,902
Equities - Other	9,996	11,020
Other Assets	41,070	23,393
	<u>338,528</u>	<u>360,488</u>

None of the investments relate to restricted funds and all are managed by Quilter Cheviot.

The valuation of the investments, at market value, was performed by Quilter Cheviot.

The investments are held to provide an investment return to the charity.

6. DEBTORS

	2016 £	2015 £
Amounts falling due within one year:		
Other debtors	771	501
Loans granted to Members	<u>16,747</u>	<u>12,927</u>
	<u>17,518</u>	<u>13,428</u>
 Amounts falling due after more than one year:		
Loans granted to Members	<u>68,229</u>	<u>82,951</u>
 Aggregate amounts	<u>85,747</u>	<u>96,379</u>

West Mercia Police Welfare Fund

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2016**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts	67,167	-
Trade creditors	-	1,041
Other creditors	2,571	1,941
	<u>69,738</u>	<u>2,982</u>

8. MOVEMENT IN FUNDS

	At 1.4.15 £	Net movement in funds £	Transfers between funds £	At 31.3.16 £
Unrestricted funds				
General fund	642,541	(60,611)	(67,167)	514,763
Revaluation reserve	-	-	67,167	67,167
	<u>642,541</u>	<u>(60,611)</u>	<u>-</u>	<u>581,930</u>
TOTAL FUNDS	<u>642,541</u>	<u>(60,611)</u>	<u>-</u>	<u>581,930</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	48,287	(94,100)	(14,798)	(60,611)
Restricted funds				
Convalescent Home	88,905	(88,905)	-	-
St George's	10,258	(10,258)	-	-
	<u>99,163</u>	<u>(99,163)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>147,450</u>	<u>(193,263)</u>	<u>(14,798)</u>	<u>(60,611)</u>

West Mercia Police Welfare Fund

Notes to the Financial Statements - continued for the Year Ended 31st March 2016

8. MOVEMENT IN FUNDS - continued

Restricted funds

Convalescent Home

The provision of facilities and services for contributing members past and present of the West Mercia Constabulary and their families and dependents to aid sickness recovery and help to alleviate distress from disabilities and handicaps and to provide care for the infirm and for convalescence.

St George's Fund

Payments are made by the fund for the care of needy children of deceased police officers.

Unrestricted funds

General Fund

Resources expended include:

Grants made to members to alleviate hardship £58,690 (2015 - £24,690)

Donations to Flint House £nil (2015 - £nil)

Convalescent home expenses £4,127 (2015 - £4,543)

Administration charge to JBB £4,000 (2015 - £4,000)

Lottery prizes £6,170 (2014 - £6,195)

Welfare loans written off £13,754 (2015 £Nil)

St Georges cheque written back (£1,041)

Other £4,144 (2015 - £4,232)

Governance costs include Accountancy charges £2,088 (2015- £1,714).

Revaluation Reserve

This represents the changes in market value of investments during the year and comprises all increases and decreases in the value of investments.

Transfers

A transfer of £67,167 has been made to the revaluation reserve. This represents total unrealised gains at the year end.

9. RELATED PARTY DISCLOSURES

During the year administrative fees of £4,000 (2015 £4,000) were paid to West Mercia Police Federation Joint Branch Board Fund.

10. ULTIMATE CONTROLLING PARTY

The Fund is controlled by its members through the trustee body. At 31 March 2016 there were 1,410 members (2015 - 1,320).

11. GIFT AID

The Charity has, since late February 2003, been receiving sums from members who have given Gift Aid authorities to the Charity to enable tax to be reclaimed from HM Revenue & Customs.

In the current year a sum of £25,230 (2015 £27,206) was received from HM Revenue & Customs. The Gift Aid tax repayments are not brought into account and recognised until they are received.

West Mercia Police Welfare Fund
Detailed Statement of Financial Activities
for the Year Ended 31st March 2016

	2016 £	2015 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,149	1,756
Gift aid	25,230	27,206
Grants	3,000	-
Subscriptions	102,872	103,134
Lottery income	10,768	9,385
Dividends	4,166	4,585
	<u>147,185</u>	<u>146,066</u>
Investment income		
Deposit account interest	265	358
	<u>147,450</u>	<u>146,424</u>
Total incoming resources		
	<u>147,450</u>	<u>146,424</u>
EXPENDITURE		
Charitable activities		
Grants	58,690	24,690
Gifts and donations	1,122	1,098
Sick visits	207	218
Convalescent home expenses	4,127	4,543
Subscriptions	99,163	101,941
Administration charge	4,000	4,000
Investment management charges	4,256	4,110
St Georges cheque written back	(1,041)	-
Welfare loans written off	13,754	-
Lottery prizes	6,170	6,195
Civilian Welfare Fund - lottery apportionment	575	1,065
	<u>191,023</u>	<u>147,860</u>
Support costs		
Governance costs		
Sundries	152	137
Accountancy and legal fees	2,088	1,714
	<u>2,240</u>	<u>1,851</u>
Total resources expended	<u>193,263</u>	<u>149,711</u>
Net expenditure before gains and losses	<u>(45,813)</u>	<u>(3,287)</u>
Realised recognised gains and losses		
Realised gains/(losses) on programme related investments	(14,798)	18,726
	<u>(60,611)</u>	<u>15,439</u>
Net (expenditure)/income		
	<u>(60,611)</u>	<u>15,439</u>