

Charity Registration No. 1151322

Company Registration No. 08426630 (England and Wales)

THE POLICE DEPENDANTS' TRUST LIMITED
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2015

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THE POLICE DEPENDANTS' TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

S Bray
B Docherty
A Donaldson
K Gregson
B Higgins
T Jackson
M Lindsay
A Marsh
S Purdy
N Rennie
Dr C Townsend
S Wilde

Charity number

1151322

Company number

08426630

Auditors

Alliotts
Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

Bankers

Royal Bank of Scotland plc
London Drummonds Branch
49 Charing Cross
London
SW1A 2DX

Solicitors

Bircham Dyson Bell
50 Broadway
Westminster
London
SW1H 0BL

Investment advisors

Barings Investment Management Limited
155 Bishopgate
London
EC2M 3XY

THE POLICE DEPENDANTS' TRUST LIMITED

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THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2015

The Trustees present their report and accounts for the year ended 31 March 2015.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the the Trust's Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The Trust is a company limited by guarantee without share capital.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

| | |
|---------------|-----------------------------|
| P Barker | (Resigned 24 July 2014) |
| S Bray | |
| B Docherty | |
| A Donaldson | |
| K Gregson | (Appointed 22 January 2015) |
| B Higgins | |
| T Jackson | |
| M Lindsay | (Appointed 22 January 2015) |
| A Marsh | |
| D O'Connor | (Resigned 24 July 2014) |
| S Purdy | (Appointed 23 April 2015) |
| N Rennie | (Appointed 22 January 2015) |
| T Spence QPM | (Resigned 22 January 2015) |
| Dr C Townsend | (Appointed 23 April 2015) |
| I Trueman | (Resigned 22 January 2015) |
| M Whittle | (Resigned 23 April 2015) |
| S Wilde | |

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Board of Trustees

The Trustees meet four times during the year to consider the Trust's investment matters, receive regular updates from committees, and to plan for its short, medium and long term future.

When a vacancy arises, the Trustees shall have regard to the desirability of seeking one or more recommendations to fill the vacancy from any or all of the following bodies (or to such other body or bodies as may succeed to their operations):

- (a) The National Police Chiefs Council (formerly The Association of Chief Police Officers of England and Wales and Northern Ireland);
- (b) Police Scotland;
- (c) The Police Superintendents' Association of England and Wales;
- (d) The Association of Scottish Police Superintendents;
- (e) The Police Federation of England and Wales;
- (f) The Scottish Police Federation;
- (g) The Police Federation of Northern Ireland;
- (h) The Metropolitan Police Service;
- (i) The RUCGC-PSNI Benevolent Fund;
- (j) The National Association of Retired Police Officers; and
- (k) The Retired Police Officers' Association Scotland.

During the year, trustees agreed to strengthen the skills and experience of the board, and in accordance with the trusts governing document, undertook a recruitment process to appoint two Co-opted Trustees from outside of the police service. This process was undertaken by an Appointments Committee set up for this purpose with delegated powers from the Board.

New trustees are encouraged to spend time on induction and meeting employees and attend training to support their role. Trustees are routinely updated to keep the up to date with recent law governing trustee's responsibilities.

Committees

During the year the trust transitioned from operating a management committee to a committee structure, each with agreed terms of reference:

| Committee | Key Responsibilities |
|-------------------------|---|
| Grants | Reviews applications and awards grants, evaluates the effectiveness of grants programmes and develops new grants programmes to deliver public benefit |
| Finance & Audit | Oversees the trusts finances including investment management arrangements, audit and risk management |
| Fundraising & Marketing | Oversees plans for fundraising and engagement with the trusts beneficiaries and supporters |

Trustees serve on at least 1 committee.

The Grants Committee met on 5 occasions during the year and considered 145 applications for financial assistance and 14 new registrations. The Finance & Audit Committee met on 3 occasions and the Fundraising & Marketing twice.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

The charitable company acts as sole trustee of the National Police Fund, a charity with similar, but sufficiently different objects to allow a formal merger of the two charities.

Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate their exposure to major risks.

Origins

The Police Dependants' Trust was founded in 1966 as a response to the deaths of three police officers who, on the 12th August were shot while on duty in Shepherds Bush, London; Sergeant Christopher Head and Constables David Wombwell and Geoffrey Fox.

Such was the public response to this terrible tragedy which demonstrated the dangers police officers face in the line of duty, that an anonymous donation of £100,000 was offered to a Home Office Minister to establish a permanent trust to assist in cases where police officers were killed or injured on duty. Later it was made public that the anonymous donor was Sir Billy Butlin of Butlin's holiday camps. A public appeal was launched and more than £1 million was raised. The Police Dependants' Trust was founded and continues its vital work today – supporting officers injured on duty and the families of those who have lost their lives in the line of their police work.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Objectives and activities

Objects of the Trust

During the year, the trustees reviewed the trusts objects and these were extended, with approval from the Charity Commission. This change will allow the trust to explore additional ways through which it can support the efficiency of the police service.

The objects of the trust are the promotion of the efficiency of the police service in the United Kingdom by relieving in cases of need:

- (a) Dependants of Police Officers or serving, former or retired Police Officers who die, or have died as a result of an injury received, in the execution of duty; and
- (b) Police Officers or serving, former or retired Police Officers who are or have been incapacitated as a result of an injury received in the execution of duty or Dependants of such Police Officers.
- (c) Serving or former police officers who are suffering from mental ill health as a result of their work as a Police Officer or Dependants of such Police Officers
- (d) Police Officers who are required to take early retirement from the police force due to medical reasons (irrespective of cause) in order to assist in their transition into alternative careers and/or retirement

'Police Officer' means any police officer from any police force area in the United Kingdom and includes:

- (a) members of the British Transport Police;
- (b) members of the Civil Nuclear Constabulary;
- (c) persons performing temporary overseas or central police force who enjoy a statutory right of reversion to such a police force;
- (d) Special Constables appointed for any such police area; and
- (e) police cadets appointed to undergo training with a view to becoming members of such police forces.

'Dependants' means in relation to a serving, former or retired Police Officer (whether living or deceased) any spouse, former spouse, civil partner, unmarried partner (of either sex), child, step-child, grandchild and/or any other member of an officer's family who is or was financially reliant upon the officer.

'Injury received in the execution of duty' has the same meaning (subject to necessary adaptations in the case of special constables and police cadets) as in the pension provisions applicable to Police Officers and for the time being in force.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

How the Trust helps

During the year, the trust undertook a review of the grants it offers and the criteria against which applications are assessed. This resulted in a number of changes including the publication of clear guidelines to assist applicants. The review has brought greater transparency to the support offered by the trust and also provides scope for the trust to assist serving police officers.

The Trust provides grants to police officers and families in a variety of circumstances to those most in need:

1 Assistance Grants – These grants are available for a wide range of purposes to help at both times of crisis and to enable police officers and their families to maintain independence and improve their wellbeing. For example:

- a. Welfare assistance in times of crisis and to help meet unexpected expenses.
- b. Specialist equipment such as mobility vehicles or equipment to enable injured officers remain independent or to participate in sports and hobbies to improve their quality of life
- c. Adaptations to a disabled officer/ former officers home to support independent living
- d. Contributions towards training to access new career opportunities following ill-health retirement as a result of injury
- e. Contributions towards the costs of children's extra-curricular activities
- f. Help towards the incidental costs of residential care or sheltered accommodation e.g. social activities and trips

2 Educational Bursaries – These grants assist with living costs whilst undertaking full-time higher education, further education or vocational training to help young people (under 25) get the best start to adult life.

3. Maintenance Grants – These are part of a historic grants programme which provides regular annual benefits to those on low incomes. These grants are currently closed to new applicants who are directed towards our main Assistance Grants.

4. Welfare Contingency Fund – The trust has established a fund for police forces to support the mental health needs of police officers following a major terrorist, or other national, incident to reduce the risk of officers suffering long term psychological harm

5. Major Grants – These are available to charities and police forces to assist the trusts beneficiary groups in line with the trusts charitable purpose of supporting the efficiency of the police service. This includes funding of private healthcare on the rare occasion a serving officer with severe mental health needs requires a residential secure hospital stay under Section 135 and 136 of the Mental Health Act.

6. Bereavement Grants – These are available to assist following a police officers death as a result of their duty. Grants are payable to next of kin to help relieve the inevitable financial pressures that arise in the immediate aftermath of such tragic events. The Trust liaises directly with Chief Constables and Police Family Liaison Officers regarding the award of Bereavement Grants.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

How the Trust Operates

Individuals can apply for support by way of an application form that is available to download from the Trusts website. Applicants should complete a simple registration form before making an application for financial, or other, support. Accompanying guidance notes which assist in the completion of an application form are also available on our website.

This year we made a change to our application process that we feel will help us to provide a more personal service to officers and their families. This change means that applicants can now apply directly to us for support in the manner outlined above.

We are very grateful to the officers and police staff who have assisted us with applications over the years however we do appreciate the constraints on their time. While there may be occasions when we need information from them in order to deal with an application, we are now in a position to handle all initial enquiries, applications and grant payments.

Applications for major grants are by invitation only.

During the year under review the Grants Committee, acting on the delegated authority from the Board of Trustees considered all applications for financial assistance. The committee usually meets six times per year although applications can be fast-tracked if necessary.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Financial Review

The results of the Trust are set out in the financial statements on pages 15 to 28.

The Trust's net surplus (before other recognised gains and losses) increased to £692,285 (2013/14: £613,969), reflecting a reduction in the number and value of grant applications. The Trust is actively working to understand the reasons behind this but believes that the reduction in police welfare capacity to facilitate registrations and applications is a major factor.

During the year, the Trust agreed its first three year plan, developed at a time when the police service and statutory services generally are going through periods of unprecedented change. This included a specific commitment to provide greater support to serving officers – recognising that the Trust operates in a very different environment to that which existed when the Trust was first established.

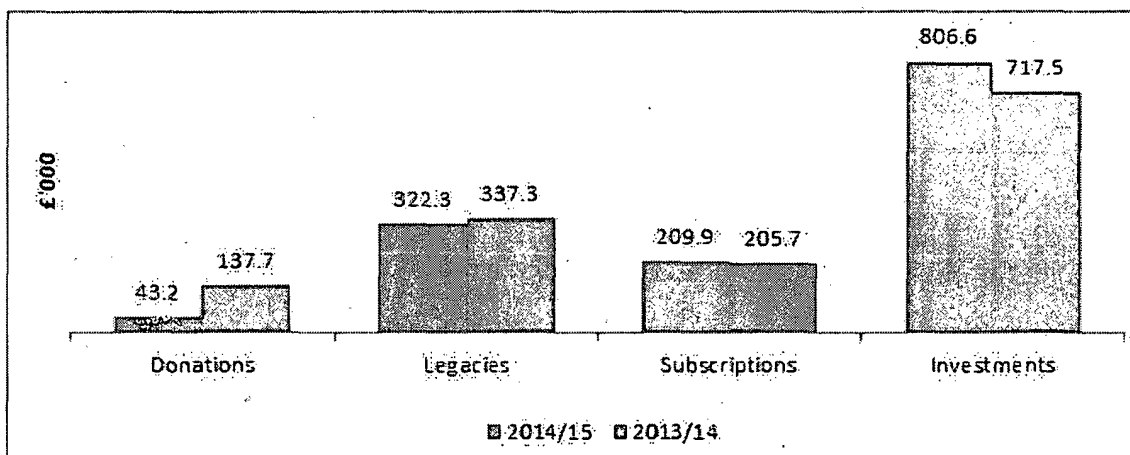
Towards the end of the financial year, the Trust appointed the University of Surrey to undertake a major research project into the support needs of officers injured on duty to better understand the gaps in provision. All 43 police forces in England and Wales will be given the opportunity to participate. The full research report will be published in the autumn of 2016 and will be used to both inform the development of the Trust's activities.

As the Trust has now published guidelines for applicants, from May 2015 we have made it possible for applications for assistance to be made direct to the Trust in response to the reduced welfare capacity across the service. This change, and the learning from it, will be closely monitored.

The Trust's income comes from four principal sources:

- Donations from police officers (payroll giving/Give As You Earn/individual fundraising);
- Donations from the wider public;
- Legacies; and
- Investment and interest income.

Total income for the year (£1,387,991) remained steady. In 2013/14, the trust benefited from a large single donation which was not replicated but was off-set by our investment income which increased by £89,088.



The trust remains in a robust financial position and continues to be well placed to support officers who have been injured on duty and the families of those officers who have lost their lives as a result of their police work. The trust however continues to be heavily reliant on its investment income as its primary source of income.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Public Benefit

In setting out their objectives and planning their activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trust provides a significant public benefit given the relatively wide section of people who have the opportunity to apply and be considered as a potential beneficiary. The Trust provides means-tested grants that are available for a wide range of purposes to those who qualify.

The trust has adopted the independent Joseph Rowntree Foundation's Minimum Income Standard as a guide against which to assess need, taking into account the additional costs incurred of living with a disability where appropriate. This allows trustees to focus financial assistance on those in most need.

The research commissioned from the University of Surrey will help to highlight areas where improvements can be made to the support available to officers to assist them to return to work sooner – a benefit to both the officers quality of life and local policing. The National Welfare Contingency Fund established by the trust will assist to reduce the risk of long term psychological harm in the event of a major terrorist incident.

Grants awarded

The numbers of grants awarded by the Management Committee, or under the emergency procedure, were as follows:

| | |
|------------------------|----|
| Assistance grants | 30 |
| Maintenance grants | 39 |
| Education bursaries | 12 |
| Grants to institutions | 1 |
| Total | 82 |

Value of grants £236,260. Grants awarded ranged from £200 to £5,000.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

| Police Force | Number of Applications | Grants Awarded £ | Police Force | Number of Applications | Grants Awarded £ |
|--------------------------|------------------------|---------------------|-------------------------|------------------------|---------------------|
| Avon and Somerset | - | - | Merseyside | 3 | 6,032 |
| Bedfordshire | 1 | - | Metropolitan Police | 7 | 9,500 |
| British Transport Police | - | - | Norfolk | - | - |
| Cambridgeshire | 1 | - | North Wales | - | - |
| Cheshire | 3 | 9,000 | North Yorkshire | - | - |
| City of London | - | - | Northamptonshire | - | - |
| Cleveland | - | - | Northumbria | 1 | 4,000 |
| Cumbria | - | - | Nottinghamshire | 4 | 10,500 |
| Derbyshire | - | - | Northern Ireland (PSNI) | 49 | 94,530 |
| Devon and Cornwall | 4 | 9,745 | Police Scotland | 23 | 16,586 |
| Dorset | 1 | - | South Wales | 1 | 4,000 |
| Durham | 1 | 529 | South Yorkshire | 1 | 4,000 |
| Dyfed Powys | - | - | Staffordshire | - | - |
| Essex | 4 | 5,900 | Suffolk | 3 | 5,500 |
| Gloucestershire | - | - | Surrey | - | - |
| Greater Manchester | 15 | 19,572 | Sussex | 3 | 2,842 |
| Hampshire | 7 | 11,280 | Thames Valley | 1 | 2,000 |
| Hertfordshire | 3 | 4,000 | Warwickshire | - | - |
| Humberside | - | - | West Mercia | 2 | 4,000 |
| Kent | 2 | 4,000 | West Midlands | 1 | 3,023 |
| Lancashire | 2 | 650 | West Yorkshire | 2 | 8,000 |
| Leicestershire | - | - | Wiltshire | - | - |

Awareness and Fundraising Activities

As an occupational Charity, the Police Dependants' Trust has a duty to raise its profile throughout the police service, to reach out to all potential beneficiaries so they can access our help appropriately.

During the year we undertook a number of activities to raise the profile of the trust. These ranged from having a visible presence at a number of high-profile police conferences, to delivering inputs at Police Federation and NARPO meetings, to meeting with key partners from within the police service and the wider police family, as well as the charity sector.

Putting resources into social media and wider communications has been particularly successful in helping us to engage with our supporters and to build relationships we feel will benefit our beneficiaries. Social media has also helped to attract new fundraisers to the Trust. The majority of groups and individuals who chose to fundraise for us this year did so as a result of hearing more about our work and our need to generate more funds to support officers and families.

This increase in community fundraising is really encouraging and we are extremely grateful to the many people who have given up their time to support us by taking on unique, and in many cases, gruelling challenges.

2016 will be the trusts 50th anniversary which will see us undertake a number of new fundraising and awareness initiatives.

More information on this work can be found in the 'Get Involved' section at www.thepdtrust.org.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

With thanks

The Trust relies on donations to continue its work and we would particularly like to thank the following individuals, Trusts and Foundations, and companies for their support*:

| | |
|--|---|
| Miss B Jacob | NARPO, Surrey Branch |
| Lord Strathnaver, Sutherland Estates | Metropolitan Police S01 Team |
| Dr J Grieve | Cranbury Foundation |
| Callendar Charitable Trust | Mrs H Woolner |
| Thames Valley Police Constables Branch Board | The Manor of St James Chapter of Freemasons |
| Brian Paddick, Baron Paddick of Brixton | Gerald Bentall Charitable Trust |
| Robertson Charles | John Hall Charitable Settlement |
| Excel Fund | Ms R Phillips |

*donations in excess of £250

Reserves policy

The balance sheet shows net assets in excess of £27m. The nature of our beneficiaries means that the support needed from the trust is often long term. For some this will mean frequent welfare based support will be needed particularly where injuries have contributed to or are accompanied by mental ill health. Others, in particular those who have been disabled as a result of their injury, will have complex needs and require significant levels of support at key points in their lives as accessed. The trust is currently reliant upon its investments as a key source of income and the trustees consider therefore that it is reasonable for the Trust to maintain reserves to help meet the likely needs of these families in the medium term. There is however a continuing need for new funds to be generated to both meet existing demands and demands for assistance in the future.

Investment policy and performance

The charity's assets were invested in accordance with the Trustee Act 2000. Other than that there were no restrictions on the charity's powers to invest.

During the year, the investment portfolio was managed on a discretionary basis by Baring Asset Management during the period. The investment objective has been to achieve a total return over time by means of balancing the growth and safety of the portfolio.

The capital value of the charity's portfolio grew by 9.8% during the year and was valued at £24,592,384 as at 31/03/15.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Plans for the future

The landscape in which the Trust operates is undergoing significant levels of change.

- Beneficiaries are living longer, often with increasingly complex needs reflecting advances in healthcare
- Changes in state benefits and the impact of the current economic climate both on the needs of beneficiaries and our ability to fundraise
- Financial pressures on police forces where we continue to see reductions in support available to those affected by injury and deaths on duty, an average of 63 officers a day assaulted on duty, high levels of stress impacting on mental health and wellbeing
- The changing nature of policing as more crime moves online resulting in new forms of psychological pressure on officers, for example Child Sexual Exploitation and terrorist videos
- The impact of changes in police pensions and general terms and conditions, including the introduction of fitness regulations meaning we are likely to see more officers leaving the police service through physical and mental ill health

During 2014 the trust agreed a 3 year plan intended to provide a framework to guide decision making, annual planning and budgeting activities. This was the first such plan and will inevitably need to evolve and adapt to the rapidly changing financial context in which the police service operates. The plan focuses our activities on enabling access to the support available from the trust and included a commitment to actively seek to identify opportunities to promote the efficiency of the police service by extending greater support to serving officers. The findings of our research with the University of Surrey will be used to inform development of our future activities.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Police Dependants' Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the the Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the the Trust and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

THE POLICE DEPENDANTS' TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

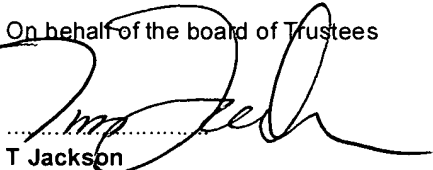
Disclosure of information to auditors

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

The auditors, Alliotts, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the board of Trustees



T Jackson

Chairman

Dated: 22.10.15

THE POLICE DEPENDANTS' TRUST LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE POLICE DEPENDANTS' TRUST LIMITED

We have audited the accounts of The Police Dependants' Trust Limited for the year ended 31 March 2015 set out on pages 15 to 28. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of The Police Dependants' Trust Limited for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, 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 the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

THE POLICE DEPENDANTS' TRUST LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF THE POLICE DEPENDANTS' TRUST LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Stephen Meredith

Stephen Meredith BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Alliotts

Chartered Accountants

Statutory Auditor

Friary Court

13-21 High Street

Guildford

Surrey

GU1 3DL

Dated: *22/10/15*

THE POLICE DEPENDANTS' TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2015

| | Notes | Unrestricted funds £ | Designated funds £ | Total 2015 £ | Total 2014 £ |
|---|-------|-------------------------|-----------------------|--------------------|--------------------|
| <u>Incoming resources from generated funds</u> | | | | | |
| Voluntary income | 2 | 575,425 | - | 575,425 | 680,765 |
| Investment income | 3 | 806,565 | - | 806,565 | 717,477 |
| | | <u>1,381,990</u> | <u>-</u> | <u>1,381,990</u> | <u>1,398,242</u> |
| Other incoming resources | 4 | 6,001 | - | 6,001 | 6,001 |
| Total incoming resources | | <u>1,387,991</u> | <u>-</u> | <u>1,387,991</u> | <u>1,404,243</u> |
| <u>Resources expended</u> | | | | | |
| | 5 | | | | |
| Costs of generating funds | | | | | |
| Costs of generating voluntary income | | 50,712 | - | 50,712 | 62,490 |
| Investment management costs | | 117,975 | - | 117,975 | 115,694 |
| | | <u>168,687</u> | <u>-</u> | <u>168,687</u> | <u>178,184</u> |
| Net incoming resources available | | <u>1,219,304</u> | <u>-</u> | <u>1,219,304</u> | <u>1,226,059</u> |
| Charitable activities | | | | | |
| Grantmaking | | 401,759 | - | 401,759 | 510,864 |
| | | <u>125,260</u> | <u>-</u> | <u>125,260</u> | <u>101,226</u> |
| Governance costs | | | | | |
| Total resources expended | | <u>695,706</u> | <u>-</u> | <u>695,706</u> | <u>790,274</u> |
| Net incoming resources before transfers | | <u>692,285</u> | <u>-</u> | <u>692,285</u> | <u>613,969</u> |
| Gross transfers between funds | | (280,000) | 280,000 | - | - |
| Net incoming resources | | <u>412,285</u> | <u>280,000</u> | <u>692,285</u> | <u>613,969</u> |
| Other recognised gains and losses | | | | | |
| Gains on investment assets | | 1,555,879 | - | 1,555,879 | 73,402 |
| Net movement in funds | | <u>1,968,164</u> | <u>280,000</u> | <u>2,248,164</u> | <u>687,371</u> |
| Fund balances at 1 April 2014 | | <u>21,615,297</u> | <u>4,000,000</u> | <u>25,615,297</u> | <u>24,927,926</u> |
| Fund balances at 31 March 2015 | | <u>23,583,461</u> | <u>4,280,000</u> | <u>27,863,461</u> | <u>25,615,297</u> |

All incoming resources and resources expended are derived from continuing activities.

There are no other gains and losses other than those noted above and therefore no separate statement of total recognised gains and losses has been prepared.

THE POLICE DEPENDANTS' TRUST LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

| | 2015 £ | 2014 £ |
|-------------------------------------|----------------|----------------|
| Total income | 1,387,991 | 1,404,243 |
| Total expenditure from income funds | 695,706 | 790,274 |
| Net income for the year | <u>692,285</u> | <u>613,969</u> |

STATEMENT OF RECOGNISED GAINS AND LOSSES

| | | |
|--|------------------|----------------|
| Net income for the year | 692,285 | 613,969 |
| Unrealised gains on investment assets held by income funds | 1,555,879 | 73,402 |
| | <u>2,248,164</u> | <u>687,371</u> |

THE POLICE DEPENDANTS' TRUST LIMITED

BALANCE SHEET

AS AT 31 MARCH 2015

| | Notes | 2015 | | 2014 | |
|---|-------|-------------------|--------------------------|-------------------|--------------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 406,164 | | 414,860 |
| Investments | 14 | | 25,154,684 | | 23,716,780 |
| | | | <u>25,560,848</u> | | <u>24,131,640</u> |
| Current assets | | | | | |
| Debtors | 15 | 388,274 | | 510,056 | |
| Cash at bank and in hand | | 1,968,917 | | 1,017,822 | |
| | | <u>2,357,191</u> | | <u>1,527,878</u> | |
| Creditors: amounts falling due within one year | 16 | <u>(54,578)</u> | | <u>(44,221)</u> | |
| Net current assets | | | <u>2,302,613</u> | | <u>1,483,657</u> |
| Total assets less current liabilities | | | <u><u>27,863,461</u></u> | | <u><u>25,615,297</u></u> |
| Income funds | | | | | |
| Unrestricted funds: | | | | | |
| Designated funds | 18 | | 4,280,000 | | 4,000,000 |
| Other charitable funds | | | | | |
| Unrestricted income funds | | 22,027,582 | | 21,541,895 | |
| Revaluation reserve | | 1,555,879 | | 73,402 | |
| | | <u>23,583,461</u> | | <u>21,615,297</u> | |
| | | | <u><u>27,863,461</u></u> | | <u><u>25,615,297</u></u> |

The accounts were approved by the Board on 22.10.15.


T Jackson
Chairman

Company Registration No. 08426630

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention, with the exception that investments are included at market value.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

Consolidation

Since March 2014, the charity acts as sole trustee of the National Police Fund, a charity which has similar, but sufficiently different objects to the trust. An attempt was made to merge the two charities in recent years, but this was not successful.

As a result the trustees are of the view that it is not appropriate to present consolidated accounts of the trust and the National Police Fund.

Further details of the activities of the National Police Fund are given in note 22.

1.2 Incoming resources

All incoming resources are recognised once the Trust has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and a reasonable estimate of the amount of incoming resources is possible.

Subscriptions are the amounts collected by the individual forces through their payroll schemes. Donations are where individuals send monies directly to the Trust.

1.3 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure and it can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are those costs incurred in attracting voluntary income, the costs of trading for fundraising purposes, investment management and certain legal fees.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Trust. The grants are accounted for where either the Trustees have agreed to pay the grant without condition or the recipient has a reasonable expectation that they will receive a grant.

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies (Continued)

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust and include the audit fees and costs linked to the strategic management of the Trust.

Irrecoverable VAT is charged against the category or resources expended for which it was incurred.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

1.4 Tangible fixed assets and depreciation

Individual fixed assets costing £100 or more are capitalised at cost.

Tangible fixed assets are depreciated over their estimated useful lives as follows:

| | |
|----------------------|--|
| Leasehold property | over 50 years on a straight line basis on the estimated cost of the building |
| Computer Equipment | over 3 years on a straight line basis |
| Furniture & Fittings | over 4 years on a straight line basis |

1.5 Investments

Fixed asset investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included at the balance sheet date at mid-market price, excluding dividends.

Investment properties are included in the balance sheet at their estimated market value.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the carrying value at the year end and the opening market value (or purchase date if later).

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, *Accounting for investment properties*, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the Trustees compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.6 Pensions

The Trust operates a defined contribution pension scheme whereby the assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions are taken to the Statement of Financial Activities as they are incurred.

1.7 Accumulated funds

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies (Continued)

General funds are an unrestricted fund available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purpose and use of the designated funds is set out in note 18 to the Financial Statements.

Restricted Funds are subject to restrictions on their expenditure by the donor. The purpose and use of the restricted funds is set out in note 18 to the Financial Statements.

1.8 Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term. The title to the equipment remains with the lessor.

2 Voluntary income

| | 2015 £ | 2014 £ |
|----------------------------------|----------------|----------------|
| Donations | 43,215 | 137,715 |
| Legacies | 322,310 | 337,324 |
| Subscriptions from police forces | 209,900 | 205,726 |
| | <u>575,425</u> | <u>680,765</u> |

Subscriptions are the amounts collected by the individual forces through their payroll schemes. Donations are where individuals send monies directly to the Trust.

3 Investment income

| | 2015 £ | 2014 £ |
|--------------------------------|----------------|----------------|
| Income from listed investments | 798,863 | 714,395 |
| Interest receivable | 7,702 | 3,082 |
| | <u>806,565</u> | <u>717,477</u> |

4 Other incoming resources

| | 2015 £ | 2014 £ |
|-------------------|--------------|--------------|
| Management charge | 6,001 | 6,001 |
| | <u>6,001</u> | <u>6,001</u> |

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

4 Other incoming resources (Continued)

During the year the Trust received £6,001 for the provision of management services to the National Police Fund, a related party.

5 Total resources expended

| | Staff costs £ | Depreciation £ | Other costs £ | Grant funding £ | Total 2015 £ | Total 2014 £ |
|--|------------------|-------------------|------------------|--------------------|--------------------|--------------------|
| Costs of generating funds | | | | | | |
| Costs of generating voluntary income | 23,803 | 1,304 | 25,605 | - | 50,712 | 62,490 |
| Investment management costs | - | - | 117,975 | - | 117,975 | 115,694 |
| Total costs of generating funds | 23,803 | 1,304 | 143,580 | - | 168,687 | 178,184 |
| Charitable activities | | | | | | |
| <u>Grantmaking</u> | | | | | | |
| Granting funding of activities | - | - | - | 236,260 | 236,260 | 326,911 |
| Support costs (note 8) | 111,082 | 6,088 | 48,329 | - | 165,499 | 183,953 |
| Total charitable activities | 111,082 | 6,088 | 48,329 | 236,260 | 401,759 | 510,864 |
| Governance costs | 23,803 | 1,304 | 100,153 | - | 125,260 | 101,226 |
| Total resources expended | 158,688 | 8,696 | 292,062 | 236,260 | 695,706 | 790,274 |

Governance costs includes payments to the auditors of £8,750 (2014: £8,500) for audit fees.

6 Costs of generating voluntary income

| | 2015 £ | 2014 £ |
|---|---------------|---------------|
| Other costs comprise: | | |
| Advertising and publicity | 14,557 | 17,005 |
| Website | 346 | 41 |
| Design, print and promotional merchandise | - | 708 |
| Promotional stationery | - | 844 |
| Magazine subscriptions | 346 | 36 |
| Donations made by the PDT | - | 4,438 |
| Support costs | 10,356 | 11,246 |
| | 25,605 | 34,318 |

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

| | | | |
|----------|------------------------------------|----------------|----------------|
| 7 | Grantmaking | 2015 | 2014 |
| | | £ | £ |
| | Grants to institutions (1 grants): | | |
| | Grants to institutions: | | |
| | National Police Memorial Day | 4,000 | - |
| | | <u>4,000</u> | <u>-</u> |
| | Grants to individuals (94 grants) | | |
| | Special purpose grants | 224,260 | 315,411 |
| | Children support grants | 8,000 | 11,500 |
| | | <u>236,260</u> | <u>326,911</u> |
| 8 | Support costs | 2015 | 2014 |
| | | £ | £ |
| | Admin costs | 48,329 | 52,482 |
| | Staff costs | 111,082 | 124,842 |
| | Depreciation | 6,088 | 6,629 |
| | | <u>165,499</u> | <u>183,953</u> |
| 9 | Governance costs | 2015 | 2014 |
| | | £ | £ |
| | Other governance costs comprise: | | |
| | Legal fees | 42,794 | 36,658 |
| | Audit and accountancy | 25,344 | 16,637 |
| | Professional fees | 21,660 | 7,684 |
| | Admin costs | 10,355 | 12,075 |
| | | <u>100,153</u> | <u>73,054</u> |

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 3 (2014: 4) of them were reimbursed a total of £6,454 (2014: £4,904) for travelling and accommodation expenses.

No Trustee or other person connected to the charity had any personal interest in any contract or transaction entered into by the charitable company during this year.

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

11 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2015 Number | 2014 Number |
|----------------------------------|----------------|----------------|
| CEO | 1 | 1 |
| Administration and support staff | 3 | 3 |
| | <u>4</u> | <u>4</u> |

Employment costs

| | 2015 £ | 2014 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 139,179 | 152,308 |
| Social security costs | 11,644 | 15,517 |
| Other pension costs | 7,865 | 10,521 |
| | <u>158,688</u> | <u>178,346</u> |

The number of employees whose annual remuneration was £60,000 or more were:

| | 2015 Number | 2014 Number |
|-------------------|----------------|----------------|
| £60,001 - £65,000 | 1 | - |
| £65,001 - £70,000 | - | 1 |
| | <u>-</u> | <u>1</u> |

Of the employees whose emoluments exceed £60,000, one (2014: one) had retirement benefits accruing under defined benefit pension schemes of £2,845 (2014: £7,077).

12 Taxation

The Trust is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

13 Tangible fixed assets

| | Leasehold Property £ | Computer Equipment £ | Furniture & Fittings £ | Total £ |
|--------------------------------------|----------------------------|----------------------------|------------------------------|---------------|
| Cost | | | | |
| At 1 April 2014 and at 31 March 2015 | 458,345 | 30,161 | 10,211 | 498,717 |
| Depreciation | | | | |
| At 1 April 2014 | 50,754 | 23,470 | 9,633 | 83,857 |
| Charge for the year | 4,600 | 3,807 | 289 | 8,696 |
| At 31 March 2015 | 55,354 | 27,277 | 9,922 | 92,553 |
| Net book value | | | | |
| At 31 March 2015 | 402,991 | 2,884 | 289 | 406,164 |
| At 31 March 2014 | 407,600 | 6,682 | 578 | 414,860 |

14 Fixed asset investments

| | UK equities £ | Freehold property £ | Total £ |
|--------------------------------------|-------------------|---------------------------|-------------------|
| Market value at 1 April 2014 | 23,154,480 | 562,300 | 23,716,780 |
| Investment management costs | (117,975) | - | (117,975) |
| Change in value in the year | 1,555,879 | - | 1,555,879 |
| Market value at 31 March 2015 | 24,592,384 | 562,300 | 25,154,684 |
| Historical cost: | | | |
| At 31 March 2015 | 22,474,594 | 579,861 | 23,054,455 |
| At 31 March 2014 | 22,474,594 | 579,861 | 23,054,455 |

The following investments individually make up more than 5% of the portfolio:

Barings Targeted Return Fund 98%

Investment properties are stated at estimated market value. The last formal valuation of the investment properties was undertaken in 2010.

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

| | | |
|---|-----------------------|-----------------------|
| 15 Debtors | 2015 | 2014 |
| | £ | £ |
| National Police Fund | 107,818 | 101,817 |
| Other debtors | 26,940 | 93,998 |
| Prepayments and accrued income | 253,516 | 314,241 |
| | <u>388,274</u> | <u>510,056</u> |
| | <u><u>388,274</u></u> | <u><u>510,056</u></u> |
| | | |
| 16 Creditors: amounts falling due within one year | 2015 | 2014 |
| | £ | £ |
| Grants payable | 17,395 | 4,000 |
| Other creditors | 21,273 | 20,000 |
| Accruals | 15,910 | 20,221 |
| | <u>54,578</u> | <u>44,221</u> |
| | <u><u>54,578</u></u> | <u><u>44,221</u></u> |
| | | |
| 17 Pension and other post-retirement benefit commitments | | |
| Defined contribution | | |
| | 2015 | 2014 |
| | £ | £ |
| Contributions payable by the company for the year | 7,865 | 10,521 |
| | <u>7,865</u> | <u>10,521</u> |
| | <u><u>7,865</u></u> | <u><u>10,521</u></u> |

£5,081 (2014: £Nil) has been accrued for (including £4,841 as backdated pension contributions) and is included within Accruals. The balance has been paid since the year end.

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds | | | | Balance at 31 March 2015 |
|--------------------------|----------------------------|--------------------------------------|-----------------------|-----------------------|-----------------------------|
| | Balance at 1 April 2014 | Transferred from general funds | Incoming resources | Resources expended | |
| | £ | £ | £ | £ | £ |
| Designated funds | 4,000,000 | - | - | - | 4,000,000 |
| Welfare contingency fund | - | 200,000 | - | - | 200,000 |
| Officer support study | - | 80,000 | - | - | 80,000 |
| | <u>4,000,000</u> | <u>280,000</u> | <u>-</u> | <u>-</u> | <u>4,280,000</u> |

£200,000 has been designated by the Trustees as a welfare contingency fund so that grant aid can be given without going through the normal authorisation process in the event of an emergency.

£80,000 has been designated for a study to be undertaken by the University of Surrey into the gaps in support for officers following injury on duty. A contract has been signed with the University to undertake the study with work to start in the next financial year.

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

19 Analysis of net assets between funds

| | Unrestricted funds £ | Designated funds £ | Total £ |
|--|----------------------------|--------------------------|-------------------|
| Fund balances at 31 March 2015 are represented by: | | | |
| Tangible fixed assets | 406,164 | - | 406,164 |
| Investments | 21,154,684 | 4,000,000 | 25,154,684 |
| Current assets | 2,077,191 | 280,000 | 2,357,191 |
| Creditors: amounts falling due within one year | (54,578) | - | (54,578) |
| | <u>23,583,461</u> | <u>4,280,000</u> | <u>27,863,461</u> |
| Unrealised gains included above: | | | |
| On investments | 1,555,879 | - | 1,555,879 |
| | <u>1,555,879</u> | <u>-</u> | <u>1,555,879</u> |
| Reconciliation of movements in unrealised gains | | | |
| Net gains on revaluations in year | 1,555,879 | - | 1,555,879 |
| | <u>1,555,879</u> | <u>-</u> | <u>1,555,879</u> |
| Unrealised gains at 31 March 2015 | <u>1,555,879</u> | <u>-</u> | <u>1,555,879</u> |

a) **Unrestricted funds** comprise those funds which the Trustees are free to use in accordance with the charitable objects.

b) **Designated funds** are funds set aside out of general funds by the Trustees for specific purposes of the Trust. It is the policy of the Trust to maintain designated funds at a level, which equates to approximately one to two years of costs to running the Trust.

20 Commitments under operating leases

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

| | 2015 £ | 2014 £ |
|----------------------------|--------------|---------------|
| Expiry date: | | |
| Within one year | 3,896 | 7,247 |
| Between two and five years | - | 4,608 |
| | <u>3,896</u> | <u>11,855</u> |

THE POLICE DEPENDANTS' TRUST LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

21 Contingent assets

The Charity has attached a number of liens to the special grants awarded to dependants; these expire within 10 years of issue of the grant awarded.

22 Related parties

The Charity is controlled by the Trustees.

The Charity has a very close relationship with the National Police Fund (Registered Charity Number: 207608), and acts as sole trustee to that charity.

During the year the Charity charged £6,000 for staff costs as an administration re-charge of payroll costs from the Charity for services provided to the National Police Fund and also charged £1 for rent.

The National Police Fund also received a donation in kind, from the Police Dependants' Trust, for the rent of premises and use of equipment, the value of which could not be quantified and therefore has not been included in these financial statements.

At the year end the Charity was owed £107,818 (2014 - £101,816) by the National Police Fund.

The net movement in funds of the National Police Fund was £455,697 for the 15 months to 31 March 2015 (£471,437 12 months to 31 December 2013) and the balance sheet had reserves of £3,601,001 (2013 - £3,145,304).