

THE NATIONAL POLICE FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

(Incorporated by Royal Charter on 31 December 1926)

THE NATIONAL POLICE FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustee The Police Dependants' Trust Limited

Charity number 207608

Principal address 3 Mount Mews
High Street
Hampton
London
TW12 2SH

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

Bankers Barclays Bank Plc
Leicester
Leicestershire
LE87 2BB

Solicitors Bircham Dyson Bell
50 Broadway
Westminster
London
SW1H 0BL

CONTENTS

	Page
Trustee's report	1 - 4
Independent auditor's report	5 - 6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the accounts	10 - 17

THE NATIONAL POLICE FUND

TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The trustee present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Royal Charter trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

Objectives and activities

The objects of the charity are to support the general welfare and education of members of the police forces of Great Britain by the provision of health, welfare and recreational and other facilities calculated to promote their efficiency, for educational and compassionate grants for police officers and their dependants, and for the support of charities for the benefit of such persons in need. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims, objectives and in planning our future activities.

There has been no change in these during the year.

The trustee has paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Grant making policy

The charity provides:

- Benevolent Fund Grants – available to police force benevolent funds with annual income below £100,000
- Wellbeing Grants – available to police forces and sports associations to fund specific projects focussed on improving the wellbeing of police officers and staff
- Education Grants - available to children of serving and former police force members, to assist with higher education where financial assistance is needed. These applications are assessed against various criteria to ensure the grants are made to those most in need.

Achievements and performance

The number of education grants awarded in the 12 months to 31 March 2017 was 18 (12 months to 31 March 2016: 33), a decrease of 15 grants on the previous period. The maximum education grant was kept constant at £1,000 during the year. The Benevolent Fund grants scheme set up in 2014 authorised a total of 11 grants (2016: 15) for payment. The Wellbeing grant scheme, set up last year, awarded 17 grants (2016: 14).

Financial review

The charity is reliant on income from its investments, the income from which totalled £117,030 (2016: £109,791). Resources expended were £120,377 (2016: £118,425).

Net incoming resources for the year were £474,052 (2016: net outgoing resources of £44,321) after taking into account gains on investments of £468,953 (2016: losses on investments of £41,589).

Education grants and other police force grants were the main cost for the year, totalling £81,311 (2016: £85,515). No grant was made out of the Mary Holt Fund this year (2016: £Nil). Other administration expenses totalled £10,668 (2016: £10,104) an increase of £564 on the previous year.

The charity is in a good financial position but is reliant upon its investment income to support its work.

During the year legacies received were £7,443 (2016: £5,902).

THE NATIONAL POLICE FUND

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Investment powers and performance

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

The charity holds its investment portfolio in order to generate a return to fund its day-to-day running and grant making programmes.

The Investment portfolio is managed on a discretionary basis by Newton Investment Management. The investment objective is to seek a total return greater than that of the WM Total Charities Universe.

As at 31/03/17 the portfolio had an income yield of 3%. The capital value of the charity's portfolio grew by 12.4% during the year and was valued at £3,915,053 as at 31/03/17.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operation and finances of the charity, and are satisfied that systems are in place to mitigate our exposure to the major risks.

Plans for the future

Following a review by its sole Trustee, the Police Dependants' Trust, the activities of the National Police Fund will be merged into the Police Dependants' Trust over the coming year, subject to approval by the Privy Council.

Structure, governance and management

The National Police Fund is constituted under a Royal Charter dated 31 December 1926 and amended separately on 12 August 1954, 10 June 1959, 15 July 1970 and 5 March 2014. The charity is registered under charity number 207608, and has the working name of National Police Fund.

The trustees who served during the year were:

The Police Dependants' Trust Limited

In accordance with the amendment made to the Royal Charter on 5 March 2014, the sole Trustee of the charity is The Police Dependants' Trust Limited.

THE NATIONAL POLICE FUND

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Organisation

As the sole trustee of the National Police Fund, the Police Dependants Trust Limited (PDT) manages the charity as an integral part of its own management structure. The full board of trustees met 4 times during the period to consider policy matters, agree broad strategies and consider the charities investments.

The Trustees of the PDT have appointed 3 sub-committees to help with the execution of the boards responsibilities, the members of which are appointed by the Trustees

Audit & Investment

- Exercises general oversight concerning matters pertaining to the trust's investment portfolios;
- Oversees the selection and agrees the appointment of investment managers on behalf of the trustees as a delegated responsibility;
- Oversees the trusts systems of internal control, risk management and financial reporting, and monitors the quality and effectiveness of external auditors.

Remuneration

- On behalf of The Police Dependants' Trust's Board, the Remuneration Committee exercises general oversight of matters concerning the PDT's staff and makes recommendations to the Board.

OneInFour Panel

- Considers and agrees applications for funding to the PDT's OneInFour Grants Programme.

The Audit & Investment Committee met four times in the year, the Remuneration Committee met three times in the year and the OneInFour Panel met once.

Asset cover for funds

The trustee, being cognisant of the requirements of the Charity Commissioners with regard to Reserves Policy, is satisfied that the level of reserves presently held is warranted to enable the charity to continue to meet the needs of its beneficiaries. The charity is reliant upon the income generated by its investment portfolio as its source of income and the Trustee considers these investments as an endowed fund.

The Trustee has created a specific reserve of £50,000 for the National Welfare Contingency Fund to assist forces in supporting the welfare of officers and staff in the event of a major terrorist incident or similar national event.

THE NATIONAL POLICE FUND

TRUSTEE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Statement of trustee's responsibilities

The trustee are responsible for preparing the Trustee's Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustee 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustee are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of trustees of The Police Dependants' Trust Limited

.....
T Jackson

Chairman of The Police Dependants' Trust Limited

Dated:

THE NATIONAL POLICE FUND

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE NATIONAL POLICE FUND

We have audited the financial statements of The National Police Fund for the year ended 31 March 2017 set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustee, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state 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 charity and its trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustee and auditor

As explained more fully in the statement of trustee's responsibilities set out on page 4, the trustee is responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 trustee; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustee's 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 charity's affairs as at 31 March 2017 and of its incoming resources and application of resources, 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 Charities Act 2011.

THE NATIONAL POLICE FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE NATIONAL POLICE FUND

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- sufficient 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
- we have not received all the information and explanations we require for our audit.

Other matter

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Alliotts

.....

**Chartered Accountants
Statutory Auditor**

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

Alliotts is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE NATIONAL POLICE FUND**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:						
Donations and legacies	3	8,446	-	-	8,446	5,902
Investments	4	116,785	-	245	117,030	109,791
Total income		125,231	-	245	125,476	115,693
Expenditure on:						
<u>Raising funds</u>						
Investment management	5	28,398	-	-	28,398	22,806
Charitable activities	6	91,979	-	-	91,979	95,619
Total resources expended		120,377	-	-	120,377	118,425
Operating profit/(loss) before investment gains		4,854	-	245	5,099	(2,732)
Net gains on investments	10	467,438	-	1,515	468,953	(41,589)
Net movement in funds		472,292	-	1,760	474,052	(44,321)
Fund balances at 1 April 2016		3,492,070	50,000	14,610	3,556,680	3,601,001
Fund balances at 31 March 2017		3,964,362	50,000	16,370	4,030,732	3,556,680

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE NATIONAL POLICE FUND**BALANCE SHEET****AS AT 31 MARCH 2017**

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Investments	12		3,915,053		3,482,463
Current assets					
Debtors	14	28,412		25,580	
Cash at bank and in hand		217,288		168,556	
		<u>245,700</u>		<u>194,136</u>	
Creditors: amounts falling due within one year	15	<u>(130,021)</u>		<u>(119,919)</u>	
Net current assets			115,679		74,217
Total assets less current liabilities			<u>4,030,732</u>		<u>3,556,680</u>
Income funds					
Restricted funds	16		16,370		14,610
<u>Unrestricted funds</u>					
Designated funds	17	50,000		50,000	
General unrestricted funds		3,964,362		3,492,070	
		<u>4,014,362</u>		<u>3,542,070</u>	
		<u>4,030,732</u>		<u>3,556,680</u>	

The accounts were approved by the Trustee on

.....
The Police Dependants' Trust Limited
Trustee

THE NATIONAL POLICE FUND**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash absorbed by operations	20		(82,293)		(71,491)
Investing activities					
Proceeds on disposal of investments		13,995		-	
Interest received		117,030		109,791	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			131,025		109,791
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents			48,732		38,300
Cash and cash equivalents at beginning of year			168,556		130,256
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>217,288</u>		<u>168,556</u>

THE NATIONAL POLICE FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity information

The National Police Fund is constituted under a Royal Charter dated 31 December 1926 and amended separately on 12 August 1954, 10 June 1959, 15 July 1970 and 5 March 2014. The charity is registered under charity number 207608, and has the working name of National Police Fund.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustee have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustee continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted Funds are available for use at the discretion of the trustee in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market value.

Restricted Funds are subject to restrictions on their expenditure by the donor or through the terms of an appeal.

The Mary Holt restricted funds are funds wholly for the relief of widows and orphans of police officers under the rank of inspector at the time of their death or retirement. This restricted Mary Holt fund was established in the 1930s for these cases. Applications for these grants are vetted by the chief constable concerned in the first place before they are forwarded to the fund for consideration. The financial assistance, which can be given, is limited and, under the Charter of Incorporation, regular payments in any particular cases cannot be made from year to year.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE NATIONAL POLICE FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Fund 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 relating to the category. The fund is not registered for VAT and accordingly all expenditure is shown gross, inclusive of VAT in the financial statements.

Grants payable are charged in the year when the offer is conveyed to the recipient except in cases when the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE NATIONAL POLICE FUND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****1 Accounting policies****(Continued)*****Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty**Valuation of fixed asset investments**

A key accounting estimate is the value at which the trustee recognises investments. The risk of misstatement is mitigated by the use of investment managers who publish a portfolio valuation. Listed investments are valued by reference to their market value prevailing at the balance sheet date.

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	1,003	-
Legacies receivable	7,443	5,902
	<u>8,446</u>	<u>5,902</u>

THE NATIONAL POLICE FUND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****4 Investments**

	Unrestricted funds general £	Restricted funds £	Total 2017 £	Total 2016 £
Income from listed investments	116,751	-	116,751	109,212
Income from unlisted investments	-	245	245	488
Interest receivable	34	-	34	91
	<u>116,785</u>	<u>245</u>	<u>117,030</u>	<u>109,791</u>
For the year ended 31 March 2016	<u>109,300</u>	<u>491</u>		<u>109,791</u>

5 Raising funds

	2017 £	2016 £
<u>Investment management</u>	28,398	22,806
	<u>28,398</u>	<u>22,806</u>
For the year ended 31 March 2016		<u>22,806</u>
Investment management		<u>22,806</u>

6 Grants payable

	Education grants £	Forces grants £	Total £	2016 £
Grants to institutions (28 grants):				
Other	-	65,311	65,311	53,515
Grants to individuals (18 grants)	16,000	-	16,000	32,000
	<u>16,000</u>	<u>65,311</u>	<u>81,311</u>	<u>85,515</u>

THE NATIONAL POLICE FUND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****7 Support costs**

	Support costs £	Governance costs £	2017 £	2016 £
Staff recharges	6,001	-	6,001	6,001
Bank charges	487	-	487	43
Audit fees	-	4,180	4,180	4,060
	<u>6,488</u>	<u>4,180</u>	<u>10,668</u>	<u>10,104</u>
Analysed between Charitable activities	<u>6,488</u>	<u>4,180</u>	<u>10,668</u>	<u>10,104</u>

Governance costs includes payments to the auditors of £4,180 (2016 - £4,060) for the audit of the financial statements.

8 Trustee

The trustee received no remuneration (2016 - £nil) and was reimbursed £nil (2016 - £nil) for travelling and accommodation expenses in the period.

9 Employees

There were no employees during the year.

Staff recharge costs represent an administration recharge of payroll costs by The Police Dependants' Trust Limited for services provided to the Fund. There were no employees during this year or the previous year.

10 Net gains/(losses) on investments

	Unrestricted funds general £	Restricted funds £	Total 2017 £	Total 2016 £
Revaluation of investments	467,438	-	467,438	(41,589)
Gain/(loss) on sale of investments	-	1,515	1,515	-
	<u>467,438</u>	<u>1,515</u>	<u>468,953</u>	<u>(41,589)</u>
For the year ended 31 March 2016	<u>(41,053)</u>	<u>(536)</u>		<u>(41,589)</u>

11 Taxation

The fund is a registered charity and is not liable to taxation on its charitable activities.

THE NATIONAL POLICE FUND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****12 Fixed asset investments**

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 31 March 2017	3,469,983	12,480	3,482,463
Valuation changes	467,438	-	467,438
Management fees	(22,368)	-	(22,368)
Disposals	-	(12,480)	(12,480)
	<u>3,915,053</u>	<u>-</u>	<u>3,915,053</u>
Carrying amount			
At 31 March 2017	<u>3,915,053</u>	<u>-</u>	<u>3,915,053</u>
At 31 March 2016	<u>3,469,983</u>	<u>12,480</u>	<u>3,482,463</u>

Fixed asset investments revalued

Fixed asset investments are held at open market value.

The historic cost of the portfolio is £2,870,698 (2016: £2,870,698).

13 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Equity instruments measured at cost less impairment	<u>3,915,053</u>	<u>3,482,463</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>130,021</u>	<u>119,919</u>

14 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Prepayments and accrued income	<u>28,412</u>	<u>25,580</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Other creditors	125,821	115,819
Accruals and deferred income	4,200	4,100
	<u>130,021</u>	<u>119,919</u>

THE NATIONAL POLICE FUND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****16 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016	Movement in funds			Balance at 31 March 2017
		Income	Expenditure	Revaluations, gains and losses	
	£	£	£	£	£
Mary Holt Fund	14,610	245	-	1,515	16,370
	<u>14,610</u>	<u>245</u>	<u>-</u>	<u>1,515</u>	<u>16,370</u>

17 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:

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
		Income	Expenditure	
	£	£	£	£
Welfare contingency fund	50,000	-	-	50,000
	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>

£50,000 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.

18 Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fund balances at 31 March 2017 are represented by:				
Investments	3,915,053	-	-	3,915,053
Current assets/(liabilities)	49,309	50,000	16,370	115,679
	<u>3,964,362</u>	<u>50,000</u>	<u>16,370</u>	<u>4,030,732</u>

THE NATIONAL POLICE FUND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2017****19 Related party transactions**

The charity has a very close relationship with The Police Dependants' Trust Limited (Registered Company Number: 08426630). From 5 March 2014 The Police Dependants' Trust Limited has been the sole Trustee of the charity.

During the period the charity was charged £6,000 (2016: £6,000) for staff costs as an administration recharge of payroll costs from The Police Dependants' Trust Limited for services provided to the fund. In the period the charity also paid £1 (2016: £1) for rent.

At the period end the charity owed £119,820 (2016 - £113,819) to The Police Dependants' Trust Limited. The charity also received a donation in kind, from The Police Dependants' Trust Limited, 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.

20 Cash generated from operations	2017	2016
	£	£
Surplus/(deficit) for the year	474,052	(44,321)
Adjustments for:		
Investment income recognised in statement of financial activities	(117,030)	(109,791)
Gain on disposal of investments	(1,515)	-
Fair value gains and losses on investments	(445,070)	62,595
Movements in working capital:		
(Increase)/decrease in debtors	(2,832)	27,925
Increase/(decrease) in creditors	10,102	(7,899)
Cash absorbed by operations	<u>(82,293)</u>	<u>(71,491)</u>