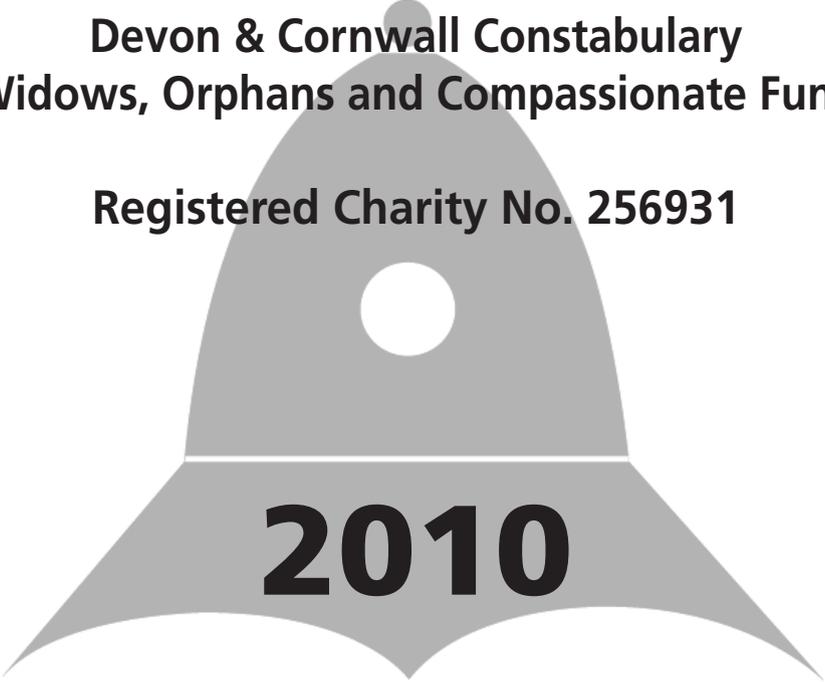


**Devon & Cornwall Constabulary  
Widows, Orphans and Compassionate Fund**

**Registered Charity No. 256931**

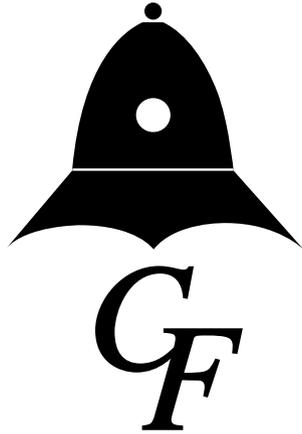


**2010**



**Annual Accounts  
and  
Report of the Trustees**

**Devon & Cornwall Constabulary  
Widows, Orphans and Compassionate Fund**



**Otherwise known as  
The Devon & Cornwall Constabulary Compassionate Fund**

**Principal Office  
Unit 2 River Court, Pynes Hill, Exeter, EX2 5JL  
Website: [www.policecompassionatefund.co.uk](http://www.policecompassionatefund.co.uk)**

## **Agents and Advisors**

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**Auditor:** Wortham Jaques  
Chartered Accountants and Statutory Auditors  
130a High Street  
Credon, Devon  
EX17 3LQ

**Banker:** HSBC  
250-251 High Street  
Exeter  
EX4 3QD

**Investment Adviser:** Brewin Dolphin Ltd  
12 Smithfield Street  
London  
EC1A 9BD

## Membership of the Management Committee at April 2011

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### Officers

President:	The Chief Constable Stephen OTTER
Chairman:	Sergeant Nigel RABBITS
Vice Chairman:	Sergeant Rachel MANIFIELD
Secretary:	Constable David JAMES
Treasurer and Administrator (non Trustee)	Gerry ALLEN

### Elected Representatives

Superintendents:	Chief Superintendent Russ MIDDLETON Chief Superintendent Michelle SLEVIN
Inspectors:	Inspector Tim GALBRAITH Inspector Mick GLYNN Inspector Ian MILLIGAN
Sergeants:	Sergeant Pennie CHANNING Sergeant Gregory JARRETT Sergeant Andy ROBINSON
Constables: 1 BCU - Cornwall	Constable Sam HILL Constable Jason HOWARD Constable Paul JEFFERY
2 BCU – Plymouth	Constable Sherman WRIGHT Constable Stuart PAYNE
3 BCU - Devon	Constable Sarah ROSS Constable Martin BECK Constable Joanne MAY Constable Paul MANIFIELD
Co-opted:	Constable Paul HUTCHINGS

### NARPO

Cornwall	Tony FAIRLESS
Devon	Tony DARK
Plymouth	Brian RUNDLE
Co-opted Independent Pensioner	Pam GILES

## **Constitution and Membership**

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### **Origin**

The Fund was formed in 1968 as an amalgamation of the Cornwall Constabulary Widows' and Orphans' Provident Fund, the Devon and Exeter Constabulary Widows', Orphans' and Compassionate Fund and the Plymouth City Police Widows', Orphans' and Provident Fund.

### **Status**

The Fund is an unincorporated charity registered with the Charity Commission registration number 256931. It functions within rules approved by the membership and the Charity Commission.

### **Objects, Management and Public Benefit**

The charity's trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission relating to public benefit.

The activities undertaken to further the charity's objects are summarised in this Trustees' Annual Report; the objects being:

*'To provide financial aid to members or their dependents who are in need.'*

The membership of the Fund is open to all sworn officers of the Devon & Cornwall Constabulary whether serving or retired (except at resignation or dismissal). This benevolent fund is aligned with the geographical area of the Devon & Cornwall Constabulary and is one of a number of similar funds throughout the UK. Details of the grant-making policy and case studies are given elsewhere in this report.

### **Management**

Management is undertaken by a Committee whose members are elected annually and who are representative of all ranks of the Force. In addition three retired members are elected by the National Association of Retired Police Officers, each representing an area of one of the former constituent Forces. Additional Committee members may be co-opted by the Management Committee.

Each committee member is a trustee with considerable responsibility and accountability under Charity Legislation. The day to day management of the Fund is delegated by the charity's trustees to the Fund administrator Mr Gerry Allen.

## Report of the Trustees

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### Introduction

The Fund was created in 1968 by the amalgamation of the Welfare Funds of the three former Constabularies, which now form the Devon & Cornwall Constabulary. Since the Fund was founded the Fund assets have grown from £91,386 to £3,699,236. In addition a total of £5,737,505 has been paid out in the form of grants.

Since 1st January 1999 new widows could apply for a lump sum grant. This grant was set at £5,000 and is reviewed annually by the Management Committee. With effect from 1st January 2007 this grant was increased by £1,000 to £6,000. It is also open to surviving partners to apply for this grant. The response to the lump sum payments continues to be favourable and the Management Committee regularly receives letters of gratitude from the recipients at what is a most difficult time for them. The policy of the Fund in relation to claims for the lump sum grant on the death of a member continues to include surviving partners both same sex and opposite sex. The proof of partnership will be the same as for police pension purposes and will include civil partnership marriages.

It is also open to any orphan of the Fund to apply for a dependant child grant.

An orphan is defined:

*A Fund members' child (including adopted child) up to the age of 21 years old and if over 16 years old must be in full time education, where one or both parents have died.*

The grant is reviewed and awarded annually. The value of the grant for the 2010-2011 academic year was £1,000 per child.

Is also open for any Fund member or dependant (as defined) to apply for a special grant from the Fund where there is a financial need. The application is considered by the Trustees of the Fund and grants can be authorised to fully fund or partially fund the applicants need. Where a grant is not authorised the applicant is advised in writing with the reasons for the unsuccessful application.

The grants are considered at the Trustees management meetings which are held four times a year.

If there is deemed to be urgency in the need for a grant there is a procedure where an emergency grant can be approved by two of the executive officers up to a limit of £2,000. This is then reported at the next Trustees management meeting for information and any further action that may be required. The maximum emergency grant was increased by £1,000 to £2,000 at the Annual General Meeting on 7th July 2010

The Fund has over the latter part of 2010 been developing a Fund website this work has been carried out by the Fund Administrator Gerry Allen and Fund Trustee Pam Giles together with website designers Ballyhoo Ltd. The Website is now live on the web:

[www.policecompassionatefund.co.uk](http://www.policecompassionatefund.co.uk)

There are links on the website to the Charity Commission, Virgin Money Giving, together with access to the Funds latest Annual Report, Accounts and Fund Rules.

It is hoped that this website will broaden the profile of the Fund both within the Force and with the public in general. It will hopefully ensure that the Fund is more contactable and generate some Fund raising within the Force.

In conclusion of this introduction, I am pleased to report that the Fund has again returned a credit balance for the accounting year.

## **Trustees**

During 2010 and to April 2011 the following changes in Trustees have taken place:

### **New Trustees**

January 2010	Constable Sam Hill
January 2010	Detective Chief Superintendent Russ Middleton
January 2010	Inspector Ian Milligan
January 2010	Inspector Tim Galbraith
March 2010	Mr Tony Fairless
January 2011	Chief Superintendent Michelle Slevin
January 2011	Detective Constable Stuart Payne
February 2011	Detective Constable Paul Manifold

### **Resigning Trustees**

February 2010	Constable Alan Hess (on retirement)
March 2010	Sergeant Steve Tovagliari (resigned as Trustee)
March 2010	Mr John Stephens (resigned as Trustee)
September 2010	Superintendent Ian Curtis (on retirement)
February 2011	Detective Constable Steve Pengilly (on retirement)

Trustees of the Fund (The Committee) are all serving or retired police officers and members of the Fund. The Committee consists of the Chief Constable, who is the Honorary President of the Fund, the Chairman, the Treasurer and the Secretary, who by reason of their Office are additional to the trustees shown below.

## **Superintendents**

The Superintendents Association to elect up to a maximum of two trustees.

## **Inspectors**

The Inspectors Branch Board to select up to a maximum of three trustees of the Inspecting rank, regardless of elected Police Federation status.

## **Sergeants**

The Sergeants Branch Board to select up to a maximum of six trustees of the Sergeant rank, regardless of elected Police Federation status.

## **Constables**

- Cornwall and the Isles of Scilly shall elect one Constable per two local authority districts, being a total of three Constables. The local authority districts being:
  - Penwith & Kerrier
  - Carrick & Restormel
  - North Cornwall & Caradon
  - Plymouth shall elect two Constables
- Devon shall elect one Constable for Exeter and one Constable per two local authority districts, being a total of five. The local authority districts being:
  - West Devon & South Hams
  - Torbay & Teignbridge
  - East Devon & Mid Devon
  - North Devon & Torridge

## **Pensioners**

- One retired member from Cornwall
- One retired member from Plymouth and
- One retired member from remainder of Devon, as elected by the respective. Branches of the National Association of Retired Police Officers

All Committee Members must be Members of the Fund, except where specifically waived by resolution of the Committee.

The Committee shall have the power to co-opt to their number any member of the Fund. He / she shall have full voting rights and shall take part in any function of the Committee. All elections shall take place in December / January each year.

All new Trustees are sent an induction pack in relation to being a Trustee and are given the opportunity to visit the Fund office for more information from the Executive Officers of the Fund in relation to their role as a Trustee of the Fund.

## **Support**

The Charity was formed by police officers for police officers (serving or retired) and their dependants. Membership is available through a monthly charitable donation at a set figure (2011 £3.20), which provides peace of mind on a personal level (in the hope of never having to call upon it) but membership also contains the elements of altruism or philanthropy in considering the plight of others.

The trend of falling Fund membership continues to be an issue and is regularly discussed at Fund Trustee meetings. The problem has been further aggravated by the freeze on recruitment and the implementation of the Police Regulation A19 where all serving sworn officers have to retire on completion of thirty years pensionable service. The situation will continue to be monitored but with no date set for the commencement of recruitment for the force there is nothing that can be done in relation to new members from recruits. However it has been agreed that the policy on serving officers joining the Fund has been amended as follows:

Any serving officer who is not a member of the Fund may join the Fund:

- On payment of all arrears of donations from the date of joining Devon and Cornwall Constabulary (At the current rate of donation) and that person or any dependant will not be eligible to apply for a grant for a period of 12 months from the commencement of their donations.

Or

No payment of arrears of donations from the date of joining Devon and Cornwall Constabulary but that person or any dependant will not be eligible to apply for a grant for a period of 5 years from the commencement of their donations.

- Officers with up to two years service may join the Fund without the need to make back payment donations and no moratorium

Time will tell whether this has any positive effect on the number of serving officers joining the Fund. The total membership of the Fund is 3,246 this is made up of 1,656 serving officers and 1,590 pensioners. In relation to the pensioners 640 members enjoy free membership due to age and 1 at the discretion of the Management Committee.

As at 31st December 2010 there was a decrease of 113 members of the Fund from the previous year. This is made up of the death of 45 members and the withdrawal from membership by serving officers on resignation and on retirement. Sadly many officers who have been members of the Fund for all their service fail to continue their membership into retirement. In the past follow up letters have been sent to retired officers who have not continued with their membership but with little or no success.

During 2010 the Fund received £1,260 from In-Force fund raising. This is the lowest figure ever received since the Fund was formed in 1968. The Fund is now linked with 'Virgin Money giving' which will make it easier for Fund raisers to promote sponsorship, gift aiding and donations for the Fund.

Donations received from the public amount to £7,372 of which £946 was received in the Funds collection boxes located in police enquiry offices throughout the Force. This is an overall increase of £1,354 from the previous year.

## **Dependants**

The condolences of the Fund Trustees are with all the families who have suffered a loss during 2010.

At 45, the number of members who died during the year was unusually high. Lump sum grant payments were made to 22 applicants, at a cost of £132,000 (3 grant payments were for claims from 2009). There were twelve widows who did not apply for a grant or were not in financial need, two widows were not eligible and twelve members were widowers, divorced or single.

The number of dependant children has decreased by 1 to 27 and of this number 9 children had attained 16 years and remained in full-time education. Dependant children grants are now paid annually at the start of the academic year. The circumstance of each child is reviewed annually in August and the payment made in October. For the 2010-2011 academic year the dependant child grant was authorised by the Fund Committee to be £1,000.00 each.

The value of this grant is reviewed annually by the Fund Management Committee.

## **Progress**

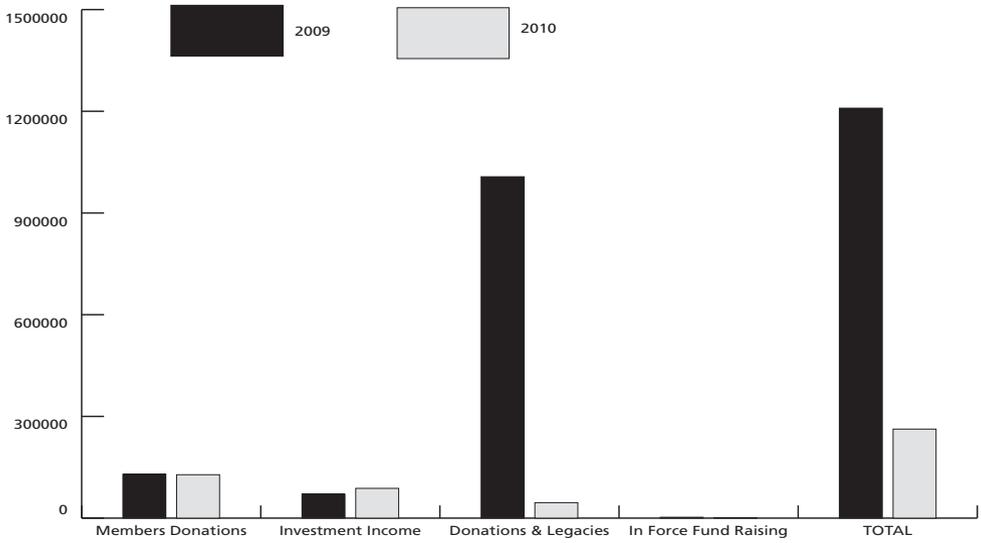
During 2010 the Funds incoming resources was £262,629 and the expenditure of the Fund during 2010 was £250,593. Therefore the Fund returned a surplus of £12,036 for 2010. Once again this is very good result for the Fund as it is important for the Fund to build up its reserves if the current trend of declining membership continues. As at 31st December 2009 the unrestricted funds of the Compassionate Fund were £3,699,236 this is an increase of £329,877 over the previous year and represents an increase of 9.7% in the value of the Fund.

As was reported last year the Fund has been notified of a large legacy (approximately £1,000,000) and to date £400,000 has been received. It was thought at first that the estate would take perhaps two years to be finalised. This is now not the case as part of the estate is agricultural land in the Barnstaple area but is now likely to be building land. Action has been taken to ensure that the three charities who are the main beneficiaries' maximise the value of the bequest. It is possible that this may take up to ten years but the increased financial benefit will be potentially high. It is possible that the value of the legacy could double!

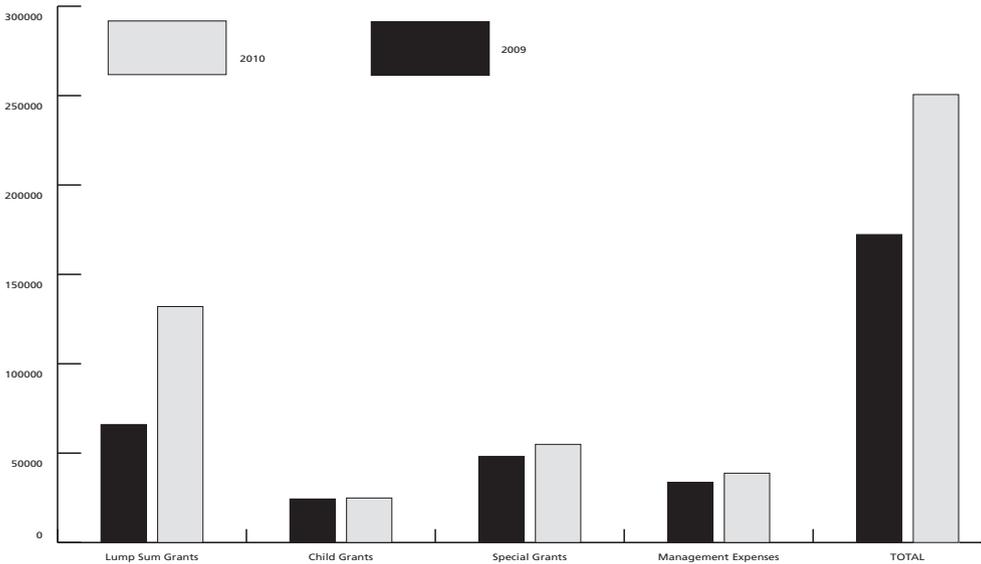
The objective of the Management Committee is to protect the value of the Fund's assets against inflation to provide growth and income for the benefit of the members. The investment market has to some extent recovered over the last 12 months but interest rates continue to remain at their lowest level in living memory.

Members of the Fund can be reassured that the Trustees will continue to be diligent in their quest to maintain and increase the value of the Funds assets whilst delivering financial support where it is needed to the Fund membership and dependants.

## Income



## Expenditure



## Members and Dependants of the Fund as at 31st December 2010

	2010	2009	Decrease (-)	Increase (+)
Total Fund Membership	3246	3359	-113	
Serving Officers	1656	1753	-97	
Pensioners	1590	1606	-16	
Subscribing	949	989	-40	
Free Members (over 70 years)	641	617		+24
Paid Lump Sum Grant	19	12		+7
Dependant Children Supported	27	22		+5
16 years and Over Undergoing Full-Time Education	9	10	-1	
Under 16	18	12		+6

## **Accounts**

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### **Income**

#### ***Donations and Legacies***

In last years report it was stated that a legacy of £1,000,000 had been notified to the Fund. This was recorded in the Fund accounts as per audit and accounting rules. During 2010 a further disbursement of £250,000 was received from the executors of the estate. This money has been invested in the within the Funds investment portfolio by the Fund's investment management team at Brewin Dolphin Ltd.

Under legacies receivable the accounts show a figure of £38,213 but clearly does not include the £250,000 as above as this was recorded in the previous years accounts.

Income from legacies is impossible to forecast from one year to the next but is gratefully received albeit from sad circumstances. The public donations received in 2010 (including the police station collection boxes) amounted to £7,372 this is an increase of £1,354 on the previous year.

#### ***Subscriptions***

The monthly membership subscription (charitable donation) during 2010 was £3.10 per month. The total receipts from members donations (including the recovery of income tax from the HM Revenue and Customs through gift aid) was £127,999 this is a decrease of £1,322 over the previous year and is a reflection of the lower number of donating members. The Gift Aid claim to the HM Revenue and Customs continue to be made on a monthly basis and over the year this has been worth in excess of £28,000 and emphasises the importance of members signing the gift aid forms. As a registered charity we are very fortunate in that just over 99% of the Funds subscribing membership are gift aiders for the Fund.

On an annual basis the Trustees review the level of Fund members' monthly donations and with effect from 1st January 2011 the members' monthly donation increased by 10 pence to £3.20.

#### ***In-Force Fund Raising***

The amount received during 2010 by the Fund through In Force fund raising has fallen to record breaking low of £1,260. In a repeat of the previous year there were no social events organised anywhere in the Force area for the benefit of the Fund.

However the Fund continues to be supported by several long standing fund raisers including: Force Bowls Section, The Devon and Cornwall Police Federation Joint Branch Board and the various branches of NARPO.

All 2010 In-Force fundraisers are included in the table set out at the end of this report and the Management Committee commends them all for their donations and loyalty to the Fund.

## ***Investment Income***

During 2010 the Fund received income of £87,707 from the investment portfolio. This is an increase of £17,628 over the previous year. This increase is due to two factors, investment of new capital in the investment portfolio and the start of a recovery in the investment market during the year.

Once again due to poor interest rates, the income received from the interest bearing bank account was only £78. To sum up, the total investment income for 2010 was £87,785 a net increase of nearly 25% on the previous year.

## **Expenditure**

### ***Grants***

During 2010 a total of £211,810 was authorised in grant payments. This was made up of £132,000 for lump sum grants, £24,900 for dependant children grants and £54,910 for special grants.

During the year 45 members of the Fund died, 12 were widowers, divorced or single and therefore no claim was made to the Fund. The remaining 33 widows / surviving partners of members, 12 declined to make a claim and 2 were not eligible to make a claim. In total 19 widows made a successful claim for the grant. Three lump sum grant payments were made in 2010 to claimants widowed in 2009.

It is to be remembered that a surviving widow(er) / partner of a member remains a dependant of the Fund whether or not a claim is made or even successful and should their circumstances change in the future can approach the Fund for a special grant. If there is any doubt on this then contact should be made with the Fund Administrator or Fund Trustee for advice.

Over the last three years the Fund has given financial assistance to serving officer Fund member Jon Wise. In 2007 his son Sam then aged 14 years was diagnosed with synovial sarcoma, a rare cancer which attacks the soft tissue of the body. Since the diagnosis Sam has undergone a series of tests, examinations as well as chemotherapy, surgery and radiotherapy. He has spent long periods of time in hospital in Exeter and Bristol away from his mother, father and sister. Following his treatment Sam was not able to walk and it has been a long process for him to gain physical and psychological strength to recover his mobility and confidence. He lost many months of his education by his prolonged stays in hospital and subsequent recuperation. To say that Sam and his family have had a difficult time is an understatement. The good news is that Sam, now 17 year old is making a good recovery and has recently had a medical review which has confirmed that he continues to be cancer free. In July 2010 the Wise family went to Tenerife for a respite holiday funded by a grant from the Compassionate Fund.

The following is the update letter received by the Fund from Jon and Sue Wise.

*"Fund Administrator,*

*Just a brief update to let you know that Sam passed 4 GCSE's this year and has enrolled on a pre A level course at South Devon College where he will be taking another 5 GCSE's. The college have put him up for an award this year for his determination and hard work and we are very proud of him. Sam is still not able to walk without the aid of his crutches but is working hard and now attends a gym 3 days a week with his uncle. He has progressed a long way emotionally and now attends a wall climbing club every Wednesday evening in Buckfastleigh. Sam still has medical reviews to contend with but is moving on with his life in a really positive way.*

*We had an amazing holiday in July this year, thanks to the help and support of the Police Compassionate Fund, that was so needed. Please convey our thanks to the Committee for allowing us to have this great opportunity of a holiday away in the sun that was enjoyed by us all so much... and especially Sam!*

*Your organisation is amazing and we are so grateful for all the financial help and support you have given us as a family.*

*We will keep you updated on Sam's progress*

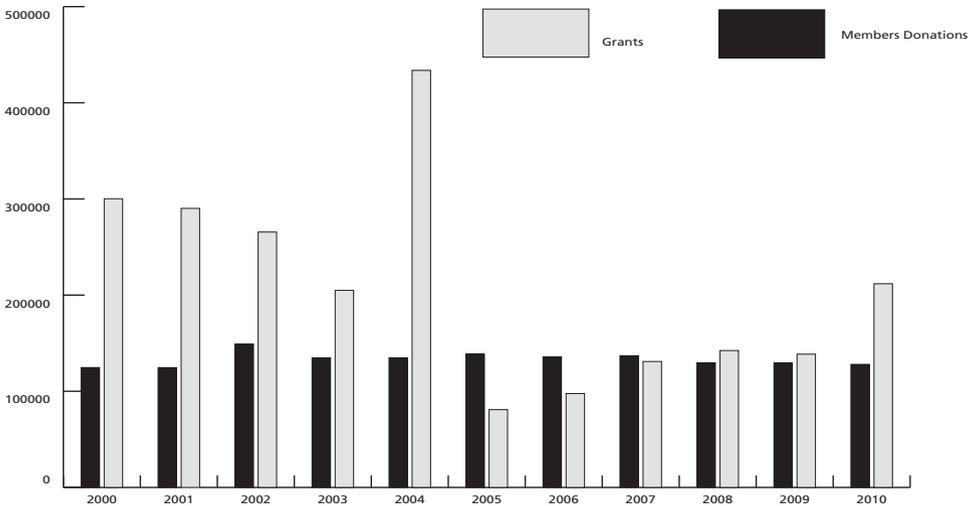
*Jon and Sue"*

I am sure that we all wish Sam the very best for the future.



The Wise family on holiday in Tenerife

## Members Donations and Grants



## Administration

The overall administration costs of the Fund including the portfolio management fee and audit fee for 2010 was £38,783. This is an increase of nearly £7,000 over the previous year and has been caused by the website costs and an increase in investment management costs due to the higher value of the investment portfolio.

The investment management costs and audit charges are monitored to ensure that the Fund is receiving best value and not being overcharged.

## Assets

### Investments

In April 2010 the Funds investment portfolio management was transferred from HSBC Investment Management, HSBC Republic Bank (UK) Ltd, 78 St James Street London SW1A 1HL to Brewin Dolphin Ltd, 12 Smithfield Street, London EC1A 9BD and the Funds investment manager is now Mr Paul Cattermull.

Mr Paul Cattermull has in the past year attended Exeter and given presentations to both the Finance and Management Committees. The change in style of management of the Funds investment portfolio has been noticeable and the improved results to date have been very encouraging.

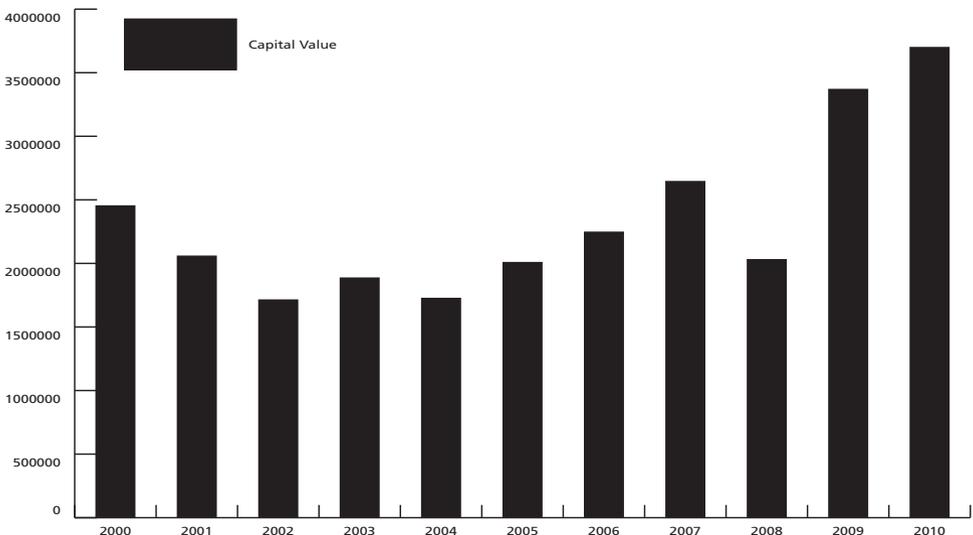
The Fund continues to be in the fortunate position that it has returned a positive balance sheet and that this will ensure there is no requirement to sell equities to finance the Funds charitable activities.

The Fund Investment Policy (as approved by the Management Committee of Trustees 06/04/2006 minute 16/06(a) refers) is as follows:

*“The Fund Trustees will regularly review investments and will ensure that the Funds investment portfolio is managed by a professional investment manager who will invest to achieve capital and income growth from a portfolio of diverse equities, combined with investment in UK government and corporate fixed interest markets to provide capital protection.”*

### **Capital**

As at 31st December 2010 the Funds capital value was £3,699,236 this is an increase of £329,877. Looking forward the Fund Trustees will be closely monitoring our new investment management team to ensure that the Fund’s investments continue to increase in value together with improved income in line with the recovering markets.



### **Reserves**

The ‘reserves’ of the Fund by definition as at 31st December 2010 were £3,699,236.

The Fund policy on reserves is:

*“The Trustees of the Fund will strive to maintain reserves to produce sufficient income to supplement the donations to the Fund in order to meet the immediate financial need of the Fund and that of the future.”*

## **Risk Management**

The Management Committee has a risk management policy namely:

*“The Trustees of the Fund will identify major risks that can affect the objectives / performance of the Fund and will take positive action to minimise the outcome of those risks by the implementation of agreed strategies / systems. The Trustees will regularly review these risks and strategies / systems.”*

Risk Management is a permanent agenda item for both the Management Committee and the Finance Committee meetings.

In addition a Risk Register has been instigated where all identified risks and their agreed control action plans are recorded.

## **Vulnerable Persons**

The Management Committee has a vulnerable person’s policy namely:

Any Trustee or person acting on behalf of the Fund who has face to face contact with a beneficiary or potential beneficiary who is:

- (i) a child
- (ii) vulnerable through infirmity, disability or age

must do so in the presence of a lawful guardian, parent, carer or nominated friend as appropriate. Any breach of this policy must be reported to the Fund Committee for action.

## **Outlook**

This is the eighth successive year that the Fund has produced a positive balance sheet. With the discontinuation of recruitment to the force for the foreseeable future the prospect of increasing Fund membership is low.

As reported elsewhere in this report in order to encourage new Fund members from serving officers there has been a change in the Fund policy and it is hoped that this will have a positive response and an increase in new members.

The financial situation of the Fund is very good and with the encouraging signs of recovery in the equity markets over the past twelve months we can look forward to the next twelve months with continued optimism.

The financial objective of the Fund is to meet the needs of the membership during any given financial year and to build up reserves for the needs of future claimants of the Fund.

The Fund is one which the members can be justly proud and is probably one of the most successful police funds of its type of any Police Force in England and Wales.

The audit of the Fund was carried out in February 2011 and the auditor’s report is reproduced in this document. The Fund membership can be reassured that the administration of the Fund continues to be effective and efficient.

Gerry Allen  
Fund Administrator and Treasurer  
On behalf of the Trustees

This report was approved by the Trustees on 13 April 2011 and was signed on their behalf by:

Mr N Rabbitts  
Fund Chairman  
Mr D James  
Fund Secretary

## **Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund Trustees' Responsibilities in Relation to the Financial Statements For the year ended 31st December 2010**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements 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, including the income and expenditure, of the charity for that period. In preparing these financial statements, 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;
- state whether UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 1993. 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.

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

## **Report of the Auditors to the Members of Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund**

We have audited the financial statements of Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund for the year ended 31st December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charity's trustees, as a body, in accordance with Sections 43 and 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The trustees' responsibilities for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are prepared in accordance with the Charities Act 1993. We also report to you if in our opinion the information given in the Trustees' Annual Report is not consistent with those financial statements, the charity has not kept sufficient accounting records, if the charity's financial statements are not in agreement with these accounting records or if we have not received all the information and explanations we require for our audit.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, of the state of the charity's affairs as at 31st December 2010 and of its incoming resources and application of resources for the year then ended, and
- the financial statements have been prepared in accordance with the Charities Act 1993.

**Wortham Jaques**  
Statutory Auditor

130a High Street, Crediton  
Devon  
EX17 3LQ

Date: 13 April 2011

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund  
Statement of Financial Activities Incorporating the Statement of Recognised Gains  
and Losses for the year ended 31st December 2010**

	Notes	2010 £	2009 £
<b>Incoming resources</b>			
<i>Incoming resources from generated funds</i>			
<i>Voluntary Income</i>			
Donations and gifts	2.1	7,372	6,018
Legacies receivable	2.4	38,213	1,000,869
Subscriptions and Gift Aid	2.2	127,999	129,321
Divisional fund raising		1,260	2,559
Investment income	2.3	87,785	70,274
Other incoming resources		-	100
<b>Total incoming resources</b>		<b>262,629</b>	<b>1,209,141</b>
<b>Resources Expended</b>			
Costs of generating funds			
Costs of generating voluntary income	3	2,559	2,208
Investment management costs		18,828	14,603
		<b>21,387</b>	<b>16,811</b>
Charitable activities	3	224,669	151,511
Governance costs	3	4,537	3,944
<b>Total resources expended</b>		<b>250,593</b>	<b>172,266</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>12,036</b>	<b>1,036,875</b>
<i>Gains/(losses) on investment assets</i>	1e, 9	317,841	301,937
<b>Net movement in funds</b>		<b>329,877</b>	<b>1,338,812</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		3,369,359	2,030,547
<b>Total funds carried forward</b>		<b>£3,699,236</b>	<b>£3,369,359</b>

The charity is not liable to tax on its net income.

All funds are unrestricted.

The notes on pages 24 to 28 form an integral part of these accounts

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund  
Balance Sheet As at 31st December 2010**

	Notes	2010 £	2009 £
<b>Fixed Assets</b>			
Tangible assets	6	270	337
Investments	1e, 9	2,957,254	2,206,966
		<b>2,957,523</b>	<b>2,207,303</b>
<b>Current Assets</b>			
Cash at bank		87,750	297,461
Gift Aid tax repayable		2,334	4,904
Legacy receivable	2.4	631,670	850,000
Other debtors and prepayments		27,779	16,700
		<b>749,533</b>	<b>1,169,065</b>
<b>Creditors: amounts falling due within one year</b>			
Other creditors and accruals		7,820	7,009
		<b>7,820</b>	<b>7,009</b>
<b>Net Current Assets</b>		741,713	1,162,056
<b>Total Assets less Current Liabilities</b>		<b>£3,699,236</b>	<b>£3,369,359</b>
<b>Funds</b>			
Unrestricted funds:	8	<b>£3,699,236</b>	<b>£3,369,359</b>

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved by the trustees on the 13th April 2011 and were signed on their behalf by:

Mr N Rabbitts  
Chairman

Mr D James  
Secretary

The notes on pages 24 to 28 form an integral part of these accounts

# Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

## Notes to the Accounts For the year ended 31st December 2010

### 1 Accounting Policies

#### (a) Basis of Accounting

These accounts have been prepared under the historic cost convention with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with the Charities Act 1993 and the Statement of Recommended Practice on Accounting and Reporting by Charities issued in March 2005 (the SORP 2005) the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Charities Act 1993. The principal accounting policies adopted in the preparation of the accounts are set out below.

#### (b) Incoming Resources

Incoming resources are recognised once the charity has entitlement to the resources, it certain that the resources will be received and the monetary value of those resources can be measured with sufficient reliability. Income is only deferred when:

- the donor specified that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Policies relating to particular areas of income are:-

##### *Subscriptions*

Subscriptions do not entitle members to any material benefits and are equivalent to donations. They are therefore recognised in full in the statement of financial activities when receivable.

##### *Voluntary income*

Voluntary income received by way of grants, gifts, donations and legacies is included in full in the statement of financial activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

##### *Legacies*

Legacies are recognised upon receipt of a letter from the personal representatives advising of an intended payment.

#### (c) Resources Expended

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that

activity in the year. Details of the bases of apportionment are given in the notes to the accounts.

#### *Costs of generating funds*

Costs of generating funds comprise the costs associated with attracting voluntary income.

#### *Charitable expenditure*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### *Governance costs*

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

### **(d) Tangible Fixed Assets**

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

Depreciation is provided on computer equipment to write off the cost in equal annual instalments over five years.

### **(e) Investment Portfolio**

The investment portfolio is carried in the balance sheet at market value on the 31st December in each year. Net unrealised gains or losses on revaluations are credited or charged to the statement of financial activities together with net realised gains or losses on disposals during the year. Realised gains are calculated from the opening market value of each investment sold. The realised gain over historical cost is disclosed in note 7 to the accounts. Investments include bank balances held as part of the long term investment strategy.

### **(f) Pension Costs**

Pension costs are incurred only by way of employer's defined contributions to the employee's personal pension scheme. The contribution rate is 10% of gross salary and costs are wholly charged to the SOFA in the year in which they are incurred. Details of the costs and any outstanding amounts are shown in note 4 to the accounts.

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund**  
**Notes to the Accounts For the year ended 31st December 2010**

	2010 £	2009 £
<b>2 Incoming resources</b>		
<b>2.1 Donations and gifts</b>		
Station boxes	946	721
Donations - general public	6,426	5,297
	<b>£7,372</b>	<b>£6,018</b>
<b>2.2 Subscriptions and Gift Aid</b>		
Net receivable	99,684	100,563
Tax recoverable	28,315	28,758
	<b>£127,999</b>	<b>£129,321</b>
<b>2.3 Investment income</b>		
UK listed stocks and shares	87,707	70,079
Bank interest	78	195
	<b>£87,785</b>	<b>£70,274</b>

**2.4** In 2009 the fund was notified that it was entitled to receive one-third of the residue of an estate. At the end of 2010 only part of this legacy had been received. At 31st December the total amount still to be distributed was estimated to be around £600,000 pounds of which about £400,000 will be received after more than one year.

**3 Resources expended**

	Voluntary Income £	Charitable Activity £	Governance £	Total 2010 £	Total 2009 £
<b>Grants to widows and orphans</b>					
Lump sum grants	-	132,000	-	132,000	66,000
Dependent child grants	-	24,900	-	24,900	24,365
Special grants	-	54,910	-	54,910	48,203
<b>Other special grants</b>	-	-	-	-	1,818
<b>Support costs</b>					
Secretarial and clerical assistance	2,471	12,354	1,647	16,472	14,539
Website design and maintenance	73	365	49	486	-
Auditor's fees: for audit	-	-	1,676	1,676	1,432
for other services	-	-	1,155	1,155	1,040
Bank charges	-	65	-	65	83
Sundry expenses	5	26	3	34	99
Depreciation	10	50	7	67	84
	<b>£2,559</b>	<b>£224,669</b>	<b>£4,537</b>	<b>£231,765</b>	<b>£157,663</b>

Where support costs cannot be directly apportioned to the activities of the charity they have been split amongst the various areas. As the Administrator is considered the main driver of these costs, they have been split based on the time the Administrator spends on each activity.

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund**  
**Notes to the Accounts For the year ended 31st December 2010**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>4 Staff costs and numbers</b>		
<i>Staff costs:</i>		
Salaries	12,090	12,195
Social security costs	870	877
Other pension costs	3,512	1,467
	<b>£16,472</b>	<b>£14,539</b>
	<hr/>	<hr/>
Total number of employees	1	1
	<hr/>	<hr/>

No employee received emoluments in excess of £60,000.

**5 Transactions with trustees' and related parties**

No remuneration or other benefits are paid to any trustee or connected person.

During the year no expenses were re-imbursed to trustees (2009: none).

During the year one trustee received a grant of £10,500 as a beneficiary of the fund. That trustee was not involved in any decisions pertaining to that grant.

**6 Tangible fixed assets**

	<b>Computer Equipment £</b>
<b>Cost</b>	
Balance at 1st January 2009	2,436
<b>Balance at 31st December 2010</b>	<hr/> <b>2,436</b> <hr/>
<b>Depreciation</b>	
Balance at 1st January 2009	(2,099)
Provided	(67)
<b>Balance at 31st December 2010</b>	<hr/> <b>(2,166)</b> <hr/>
<b>Net book value at 31st December 2010</b>	<hr/> <b>£270</b> <hr/>
Net book value at 31st December 2009	<hr/> £337 <hr/>

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund**  
**Notes to the Accounts For the year ended 31st December 2010**

	2010 £	2009 £
<b>7 Fixed Asset Investments</b>		
Value at the start of the year	2,175,425	1,881,367
Add: Acquisitions at cost	1,571,950	1,610,415
Less: value at start of year of investments sold	(1,092,227)	(1,611,841)
Net unrealised gains/(losses) on revaluation at year end	280,758	295,484
<b>Value at the end of the year</b>	<b>2,935,905</b>	<b>2,175,425</b>
<b>Cash held as part of investment portfolio</b>	<b>21,348</b>	<b>31,541</b>
	<hr/> <b>£2,957,254</b>	<hr/> <b>£2,206,966</b>
<b>Total portfolio value at end of year</b>		
	<hr/> <b>£2,957,254</b>	<hr/> <b>£2,206,966</b>
Historic cost at the end of the year excluding cash	£2,508,384	£2,077,287
<i>The values at the year end are analysed as follows:</i>		
Direct investments listed on a recognised stock exchange		
UK listed gilts and fixed interest stocks	482,843	289,867
UK listed equities	1,731,077	1,150,874
Non-UK listed gilts and fixed interest stocks	-	59,347
Non-UK listed equities	595,049	493,729
Alternative investment market holdings	126,936	181,607
	<hr/> <b>£2,935,905</b>	<hr/> <b>£2,175,425</b>

**8 Contingent Liability**

At the end of the year grant application forms had been sent to three widows but had not been returned. If all these applications were received and approved the total liability would be £18,000

**9 Statement of funds**

	2010 £	2009 £
As at 1st January	3,369,359	2,030,547
Income	262,629	1,209,141
Expenditure	(250,593)	(172,266)
Net investment gains	317,841	301,937
<b>As at 31st December</b>	<hr/> <b>£3,699,236</b>	<hr/> <b>£3,369,359</b>

All funds are unrestricted

**10 Related parties**

Controlling entity

The charity is controlled by the Trustees.

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund**  
**Schedule of Investments For the year ended 31st December 2010**

<b>Investment</b>	<b>Holding</b>	<b>Cost</b>	<b>Market Value</b>
<b>Equities</b>		<b>£</b>	<b>£</b>
<b>UK Equities</b>			
Aberforth Smaller Companies Trust Ordinary 1p shares	5,000	25,314	31,625
Amlin Ordinary 28.125p shares	4,857	15,884	19,860
Antofagasta Ordinary 5p shares 1	,500	14,984	24,180
Astrazeneca Ordinary 0.25USD shares	1,090	30,274	31,850
Autonomy Corporation Ordinary 0.3333p shares	1,500	22,888	22,575
Aviva Ordinary 25p shares	8,350	33,178	32,816
Barclays Ordinary 25p shares	12,832	48,062	33,575
BG Group Ordinary 10p shares	5,000	51,013	64,800
BHP Billiton Ordinary \$0.50 shares	1,771	19,997	45,178
BP Plc USD 0.25 stock	14,421	82,413	67,137
British American Tobacco Ordinary 25p shares	2,004	34,400	49,369
Compass Group Ordinary 10p shares	8,072	33,123	46,898
Diageo Ordinary 28 101/108p shares	3,000	31,064	35,550
Gartmore Fledgling Trust Ordinary 25p shares	7,500	28,757	34,838
GlaxoSmithKline Ordinary 25p shares	5,500	77,134	68,200
HSBC Holdings Ordinary USD 0.50	13,000	83,658	84,643
Impax Enviro Markets Ordinary 10p shares	15,000	17,789	19,425
Intermediate Capital Group Ordinary 20p shares	7,500	19,751	24,968
International Public Partnerships Ordinary 0.01p shares	24,000	26,606	27,960
Legal & General Ordinary 25p shares	30,000	25,739	29,025
Lloyds Banking Group Ordinary 10p shares	27,474	15,357	18,050
Meggitt Ordinary 5p shares	17,048	26,773	63,078
Mercantile Investment Trust Ordinary 25p shares	4,000 3	9,173	43,400
Middlefield Canadian Red Ptg Prf Shs	75,000	58,917	69,000
Morgan Crucible Company Ordinary 25p shares	11,970	20,652	29,159
National Grid Ordinary 11 13/17p shares	7,500	38,608	41,475
Prudential Ordinary 5p shares	4,000	25,843	26,720
Reed Elsevier Ordinary 14.44p shares	7,500	35,639	40,613
Rio Tinto Ordinary 10p shares	1,329	28,180	59,626
Royal Dutch Shell B shares Eur 0.07	4,000	61,981	84,600
Sarasin Investment Funds Sarasin Agrisar B Inc	40,000	46,893	48,800
Scottish and Southern Energy Ordinary 50p shares	2,500	26,658	30,625
Spectris Ordinary 5p shares	2,380	16,923	31,202
Telecom Plus Ordinary 5p shares	7,500	22,401	34,125
Tesco Ordinary 5p shares	10,000	39,549	42,500
Tullow Oil Ordinary 10p shares	2,000	24,667	25,220
Unilever Ordinary 3.1111 Shares	2,300	39,298	45,149
Utilico Emerging Markets	20,000	26,563	32,950
Vodafone Group USD 0.10 shares	60,000	90,797	99,480
WDB Asset Management Hiscox Insurance Portfolio R Inc Nav	15,000	28,168	29,970
Whitbread Ordinary 76.797p shares	2,283	18,069	40,866
<b>Total UK Equities</b>		<b>£1,453,133</b>	<b>£1,731,077</b>

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund**  
**Schedule of Investments For the year ended 31st December 2010**

<b>Investment</b>	<b>Holding</b>	<b>Cost</b>	<b>Market Value</b>
		<b>£</b>	<b>£</b>
<b>Alternative Investments</b>			
Advance Umbrella Brazil Leblon Equity B	2,443	25,013	30,729
Blackrock Common Income Investment Trust	20,871	28,013 3	3,707
BNY Mellon Fund Managers Newton Global Higher Income Inst Inc	38,717	42,239	50,321
Cazenove International Fund European Fund Class B Acc Nav	9,480	33,376	40,074
Findlay Park Funds PLC FP American Smaller Companies	950	13,424	29,350
First State Investments (UK) Asia Pacific Leaders CLS A Nav	7,775	15,755	28,423
First State Investments (UK) Global Emerging Markets Leaders Class A Nav	8,027	22,210	29,441
GCP Infrastructure Ordinary 1p shares	27,500	27,513	29,288
Ignis Asset Management Argonaut European Institutional Inc	21,748	20,106	22,528
Ishares S & P 500 Nav	5,677	33,757	45,856
JP Morgan Global Emerging Markets Income Trust Ordinary 1p shares	40,000	40,013	48,400
Lyxor International Asset Mgmt ETF DJ Stoxx 600 Utilities Eur Acc Nav Newton Oriental Nav	742	21,778	20,422
Mellon Fund Managers Newton Oriental Nav	5,570	18,237	32,102
Pantheon International Part ordinary 67p shares	5,000	29,439	31,250
Polar Capital Funds Japan Hedged R Inc Nav	3,872	42,011	44,644
Schroders Oriental Income Fund	30,000	38,264	48,975
Siemens AG NPV (REGD)	370	27,337	29,540
<b>Total Overseas Equities</b>		<b>£478,482</b>	<b>£595,049</b>
<b>Total Equities</b>		<b>£1,931,615</b>	<b>£2,326,126</b>
<b>UK Fixed Interest</b>			
BUPA Finance 6.125% Var Gtd Bds Perp	50,000	42,013	43,493
Cooperative Bank 5.5555% FR Sub Perp	50,000	40,763	42,141
Franklin Templeton Investments	4,254	25,324	43,430
Harbourvest Senior Loans Ordinary NPV	50,000	50,013	48,500
HSBC Holdings 6% MTN 29/03/40	32,000	31,637	31,656
Invesco Fund Managers Perpetual Corporate Bond Inc (Gross) Nav	50,000	32,593	40,290
LBG Capital 1 PLC 7.975% GTD 15/09/25	70,000	57,127	60,288
UK Government 1.25% Index-linked 22/11/17	52,320	58,754	65,766
UK Government 7.75% Stock 26/01/15	100,000	111,694	107,280
<b>Total UK Fixed Interest</b>		<b>£449,917</b>	<b>£482,843</b>
<b>Total Fixed Interest</b>		<b>£449,917</b>	<b>£482,843</b>

**Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund**  
**Schedule of Investments For the year ended 31st December 2010**

<b>Investment</b>	<b>Holding</b>	<b>Cost £</b>	<b>Market Value £</b>
<b>Overseas Equities</b>			
<b>Hedge Funds</b>			
Alternative Asset Opportunities US Traded Life Interests	50,000	34,649	24,750
Dexion Absolute GBP NPV Shares	15,730	18,206	22,101
<b>Property</b>			
Charities Prop Property Fund	67,175	59,896	64,266
TR Property Investment Trust Ord 25p shares	9,450	14,101	15,819
<b>Total Alternative Investments</b>		<b>£126,852</b>	<b>£126,936</b>
<b>Summary</b>			
Total Equities		1,931,615	2,326,126
Total Fixed Interest		449,917	482,843
Total Alternative Investments		126,852	126,936
<b>Total, all funds</b>		<b>£2,508,384</b>	<b>£2,935,905</b>

## Members

---

### **The following members died during 2010**

Ex-Superintendent Tony 'Pongo' Parkes of Newton Abbot

Ex-Sergeant John Coulam of Redruth

Ex-Superintendent David Coleman of Exeter

Ex-Chief Superintendent Eric Rundle of Plymouth

Ex-Sergeant John Jewell of Teignmouth

Ex-Constable Frederick Vosper of St Austell

Ex-Sergeant John Llewellyn-Jones of Plymouth

Sergeant Sean Conway of Plymouth

Ex-Sergeant Roy Moules of Bath, Somerset

Ex-Constable Oswald Gilbert of Looe

Ex-Sergeant Richard Grater of Plymouth

Ex-Sergeant Thomas Osborne of Plymouth

Ex-Chief Inspector Peter Dobson of Exeter

Ex-Inspector Frank Warne of Plymouth

Ex-Constable Donald Peters of Chippenham, Wiltshire

Ex-Constable John Leballeur of Exmouth

Constable Marcus Brotherton of Perranporth

Ex-Sergeant Norman Wearne of Exmouth

Ex-Sergeant Maurice Kettle of Paignton

Ex-Constable Bob Harley of Launceston

Ex-Constable Gerry Hammett of Spain

Ex-Constable Keith Droudge of Newton Abbot

Ex-Sergeant Charles Humphreys of Plymstock

Ex-Sergeant Sam Edgecombe of Plymouth

Ex-Constable Kenneth Spry of Crediton

Ex-Constable Newman Gibbs of Paignton

Ex-Sergeant Bill Hill of Barnstaple

Ex-Sergeant Charles 'Chick' Mckenzie of Plymouth

Ex-Sergeant Ernie Jones BEM of Saltash

Ex-Inspector Eric Baker of Exeter

Ex-Sergeant Bill Badcock of Barnstaple

Ex-Constable Dick Preece of Exeter

Ex-Constable Derek Parker of Exeter

Ex-Constable Dick Evans of Sidmouth  
Ex-Chief Inspector Frank Danson of Torpoint  
Ex-Superintendent John Fayter of Sidmouth  
Ex-Constable Jim Fricker of Exeter  
Ex-Sergeant Derek Harper GM of Barnstaple  
Ex-Chief Superintendent George Brown of St Austell  
Ex-Sergeant Eric Wallis MBE of Ivybridge  
Ex-Constable David Gove of Newton Abbot  
Ex-Constable E Caunter of Plymouth  
Ex-Sergeant Cecil Newberry of Exeter  
Ex-Chief Superintendent Lionel Thomas of Lostwithiel  
Ex-Constable Rex Butson of St Austell

### **The Funds oldest member**

It is with regret that information has been received that on 19 November 2010 the Funds oldest member Ex-Chief Superintendent George Brown of St Austell has died at the age of 101 years.

The condolences of the Fund have been sent to the family.



The late Mr George Brown celebrating his 100th birthday

## In Force Fund Raising Donations received in 2010

BCU	Police Ball & Dances	£	Other Sources	£	Total £
Other			D&CC Force Bowls Section Memorial match re the late Sergeant Neale Jones	20.00	
			D&CC Police Federation Joint Branch Board	490.00	
			NARPO Exeter & East Devon	250.00	
			NARPO Cornwall	500.00	1,260.00
					<b>1,260.00</b>





