

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

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

**Annual Report and Financial
Statements for the Year
Ended 31st December**

2011

**Charity Commission Registered No 256931
Principal Office
Unit 2, River Court, Pynes Hill, Exeter EX2 5JL
Website www.policecompassionatefund.co.uk**

Reference and Administrative Details

Charity name: Devon & Cornwall Constabulary Widows' and Orphans'
Compassionate Fund

Charity number: 256931

Principal office: Unit 2
River Court
Pynes Hill
Exeter
EX2 5JL

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

Bankers: HSBC
Stratus House
Exeter Business Park
Exeter
Devon
EX1 3QS

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

Membership of the Management Committee at April 2012

Officers

President: The Chief Constable Shaun SAWYER
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 Andy BICKLEY
Chief Superintendent Michele SLEVIN

Inspectors: Inspector Tim GALBRAITH
Inspector Mick GLYNN
Inspector Ian MILLIGAN

Sergeants: Sergeant Pennie CHANNING
Sergeant Andy ROBINSON
Sergeant David ROUTLEY
Sergeant Mike NORSWORTHY

Constables: Cornwall Constable Sam HILL
Constable Jason HOWARD
Constable Paul JEFFERY

Plymouth Constable Sherman WRIGHT
Constable Stuart PAYNE

Devon Constable Karen STIVEN
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

Report of the Trustees

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 £3,584,688. In addition a total of £5,895,592 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 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 2011-2012 academic year was increased by £200 to £1,200 per child. A proportion of this amount is a Christmas grant but is all paid together in October of each year following the annual review.

It 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 or Urgent 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 2010 Annual General Meeting

The Fund's Website went live in December 2010 and has over the last twelve months had over 3000 hits.

The Website address is: 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. There is also information on legacies and time will tell whether it has any effect on legacy donations.

The website has broadened the profile of the Fund both within the Force and with the public in general. The Fund is now more contactable and will hopefully increase fund raising both within the Force and donations by the general public.

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

Administrative Details

Details of the reference and administrative information of the charity and its trustees at the time of signing this report are set out on the first page of this report.

Trustees

In March 2012 Stephen Otter the Fund President and Chief Constable left the Force to take up a new post with HM Inspectors of Constabularies, the Fund Trustees and members wish him success in his new appointment.



In April 2012 the new Chief Constable Shaun Sawyer accepted the Fund Trustees invitation to become the Fund President we look forward to working with him in his new appointment both as Chief Constable and President of the Fund.

During 2011 and to the date this report was signed, the following changes in Trustees have taken place:

New Trustees

January 2011	Constable Stuart Payne
January 2011	Chief Superintendent Michele Slevin
April 2011	Constable Paul Manifold
July 2011	Constable Karen Stiven
July 2011	Sergeant Dave Routley
January 2012	Chief Superintendent Andy Bickley
January 2012	Sergeant Mike Norsworthy
April 2012	Chief Constable Shaun Sawyer

Resigning Trustees

February 2011	Constable Steve Pengilly (on retirement)
April 2011	Sergeant Greg Jarrett (on retirement)
January 2012	Detective Chief Superintendent Russ Middleton (resigned as Trustee)
January 2012	Constable Sarah Ross (on retirement)
March 2012	Chief Constable Stephen Otter (left Force)

Constitution and Membership

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.

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.

Recruitment of Trustees

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 & Torrridge

Pensioners:

- One retired member from Cornwall
- One retired member from Plymouth
- 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."

Induction and Training Policies for Trustees

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.

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.

Objects and Activities

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.

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- 2012 @ £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.

During the whole of 2011 there has been zero recruitment to the Devon and Cornwall Constabulary and therefore no recruitment to the Fund as members. In addition the implementation of Police Regulation A19 has resulted in all sworn police officers with 30 years or more pensionable service being compulsorily retired and of those that were members of the Fund very few continue their membership into retirement.

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.

In October 2010 it was agreed by the Trustees to relax the requirement for serving officers who were not Fund members not to have to make payment of all arrears of donations from the date of joining the Fund with a 5 year moratorium on applying for a Fund grant. Despite being publicised on the Fund Website. During the 15 months since being in force this has not produced a single new Fund member. In January 2012 at the Trustees Meeting this was discussed and it was agreed that this policy be rescinded and the following policy agreed to include both serving and retired officers:

Any serving or retired sworn officer of the Devon & Cornwall Constabulary 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 & 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.

Sworn officers with up to two years service may join the Fund without the need to make back payment donations and no moratorium.

The total membership of the Fund is 3076 this is made up of 1496 serving officers and 1580 pensioners. In relation to the pensioners 674 members enjoy free membership due to age and 1 at the discretion of the Management Committee.

As at 31st December 2011 there was a decrease of 170 Fund members from the previous year. This is made up of the death of 33 members and the withdrawal from membership by serving officers on resignation and on retirement. Due to the implementation of Police Regulation A19 (enforced retirement on completion of 30 years pensionable police service) the retirement element is much higher than would normally occur in an average year. Once again I have to report that many officers

who have been members of the Fund for all their service fail to continue their membership into retirement. As all retiring officers who are members of the Fund are given the choice to remain members in retirement, this is a specific decision made by each officer.

On a more positive note of the many Fund members who attain the age of seventy years and are under Fund rules, entitled to free membership, there is a growing number who have elected to continue with their monthly donation to the Fund. On behalf of the Trustees and all Fund members I thank each of you for your continued support which is much appreciated.

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. Over the last twelve months the Fund has received a total of £260 through Virgin Money Giving and whilst this may seem a small amount, the facility is out on the web in the public domain and on the Fund website, so hopefully in the coming months/years this amount will increase. There are no ongoing costs to the Fund in remaining registered with Virgin Money Giving and so it is a "win win" situation.

Donations received from the public amount to £6,340 of which £695 was received in the Funds collection boxes located in police enquiry offices throughout the Force. This is just over £1000 less than the 2010 amount received. One of the reasons for this must be the closure of many of the Police station enquiry offices throughout the Force thus reducing the number of collection boxes on display to the public for spontaneous donations.

During 2011 the Fund received £2,630 from In-Force fund raising whilst this is a relatively low amount, it is over double the amount received in 2010.

Achievements and Performance

Dependants

The sincere condolences of the Fund Trustees and Fund members are with all the families who have suffered the loss of a family member during 2011.

During 2011 the number of Fund members who died was 33 which was 12 less than the previous year. Of this number there were 11 members who were either widowers or divorced; therefore 22 surviving spouses/partners were eligible to apply for a lump sum grant. Of this number lump sum grant payments were made to 13 widows/partners at a cost of £78,000. There were two lump sum grant payments made to two widows at a cost of £12,000 who had been widowed the in the previous year (2010). This makes a total of £90,000 paid out in lump sum grants during 2011. During 2011 there were nine widows/partners who did not apply for a grant or were not in financial need.

The number of dependant children has decreased by 2 to 25 and of this number 10 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 circumstances of each child is reviewed annually in August and the payment made in October.

The value of this grant is reviewed annually by the Fund Management Committee and in July 2011 the Trustees authorised an increase of £200 to £1,200 per annum for the 2011 to 2012 academic year. An element of this grant is a Christmas Grant but it is paid as a single payment at the start of the academic year.

A total of £30,000 has been paid in child grants for the 2011/2012 academic year.

Progress

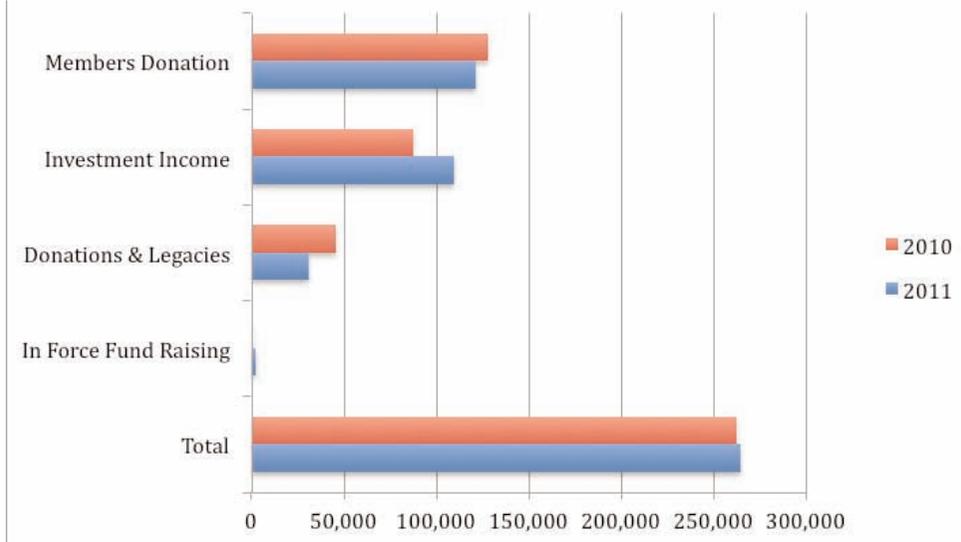
During 2011 the Funds incoming resources was £264,653 and the expenditure of the Fund during 2011 was £200,601. Therefore the Fund returned a surplus of £64,052. It is very important for the Fund to operate within its means and to endeavour to increase its reserves for the future of the Fund particularly in view of the declining Fund membership base.

As at 31st December 2011 the unrestricted funds of the Compassionate Fund were £3,584,688 this is a decrease of £114,548 on the previous year and represents a decrease of 3.1% in the value of the Fund. This reflects the turbulent market with equities during 2011; yet as can be seen from the accounts the income from the investment portfolio has increased by 25% from £87,785 to £109,861.

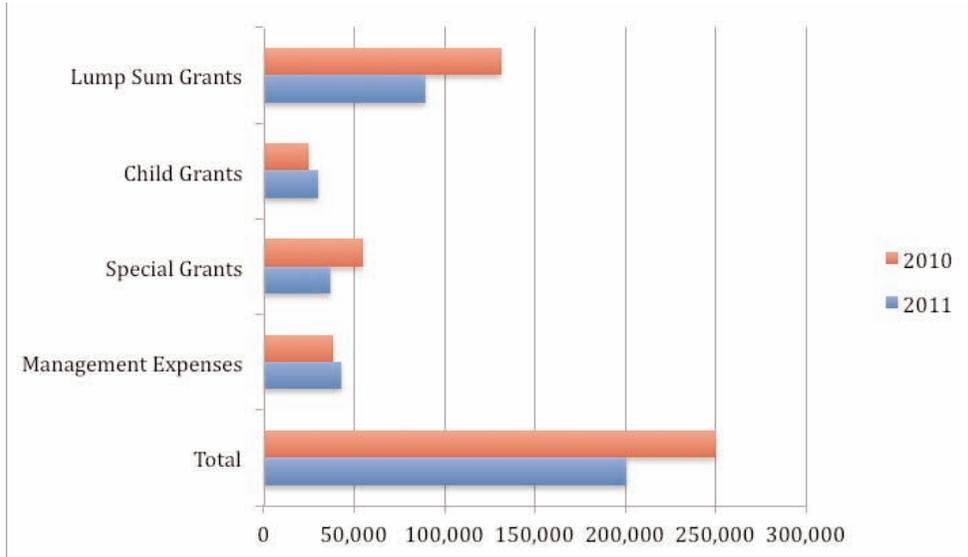
The objective of the Management Committee is to protect the value of the Fund's assets against inflation, to provide growth and income for the benefit of the members in time of need. In the current economic climate, with interest rates still remaining at an all time low and the equity market being very unpredictable being directly influenced by world events: political, natural and economic, this is no easy task.

Members of the Fund can be reassured that the Trustees are ever vigilant in their objective to maintain and increase the value of the Funds assets whilst delivering financial support where it is needed to the Fund membership and their dependants.

Income



Expenditure



During 2011 the Fund was notified of the plight of police pensioner Steve Pethick, he had suffered a major stroke in 2010 which had left him disabled and confined to a wheelchair, in addition to this, his wife had previously had a minor stroke resulting in memory and speech difficulties. This has led to them both being in residential nursing care but with the hope that they will return home in due course with sufficient physical improvement

and care support in the home. The cost of this residential care is huge and far exceeds the couple's income.

They have both been in residential care for over a year and was advised by the specialist physiotherapist that Steve was becoming institutionalised and would benefit from being able to have regular outings to places that he knew; shops, parks, places where he had worked etc; This would stimulate his will to strive even harder to achieve his goal of walking unaided and returning home.

The residential home is not able to provide a wheelchair access (WCA) vehicle for residents, taxis are unsuitable for Steve's needs and he is not eligible for a WCA vehicle through the mobility scheme. This left only one solution, the purchase of a suitable WCA vehicle.

Steve's son John contacted the Compassionate Fund office and an application was

made to the Trustees for a Fund grant for financial assistance. In October 2011 the Trustees authorised a grant to assist towards the purchase of a suitable WCA vehicle.

The following letter was received from Steve Pethick's son John

November 2011



Dear Fund Administrator,

I would like to take this opportunity to express my family's sincere thanks to the Fund Trustees for their generosity following our recent special grant application. The grant has enabled us to purchase a suitable wheel chair accessible vehicle. We were able to source a suitable vehicle (Renault Kangoo) on E Bay.

We undertook the 'maiden voyage' this week by taking my mother and father to one of their favourite places: Dartmouth. My father was stationed there from 1955 to 1966 and looks upon it as the best place that he had the opportunity to live and work. When I arrived at the residential home to collect my mum and dad, he said he was so excited he felt like a child on Christmas Day. The excursion was everything I had hoped, my dad was laughing and telling stories of times past, he had a wonderful time. He is already planning the next trip.



Please pass on our thanks to all of the Trustees of the Compassionate Fund, without their help this opportunity to provide stimulation for my father would not have been possible. We all hope that it will lead to some further progress with his recovery.

With many thanks.

John Pethick

Members and Dependants of the Fund as at 31st December 2011

	2010	2011	Decrease (-)	Increase (+)
Total Fund Members	3246	3076	-170	
Serving Officers	1656	1496	-160	
Pensioners	1590	1580	-10	
Subscribing	949	905	-44	
Free Members (over 70yrs)	641	675		+34
Paid Lump Sum Grant	19	15	-4	
Dependant Children Supported	27	25	-2	
16 years and over undergoing full time education	9	10		+1
Under 16 years	18	15	-3	

Financial Review

The audit of the Fund was carried out in February 2012 and the auditor's report is reproduced in this document.

The Fund membership can be reassured that the management and administration of the Fund is effective and efficient.

Income

Donations and Legacies

As previously reported the Fund was notified in 2008 of a large legacy (approximately £1,000,000) and to date £650,000 has been received. The legacy which was largely made up of agricultural land has been valued and where there was no possibility of housing development, the land sold together with the residential property. There are two parcels of land remaining each of approximately ten acres. One of these is within the residential development area of Barnstaple and the other directly abuts it. Action has been taken to ensure that the three charities who are the main beneficiaries' maximise the value of this land. Negotiations have been on going in order to achieve this and it is very likely that on one of the parcels of land this may take several years but the increased financial benefit will be potentially high and the other parcel of parcel could be sold within the next twelve months. It still remains a possibility that the total value of the legacy due to the Fund could double.

During 2011 a further disbursement of £250,000 was received from the executors of the estate. This money has been invested 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 £24,579 but clearly does not include the £250,000 as above as this was recorded in the Funds accounts for a previous year to comply with audit and accounting rules.

The Fund is always grateful that it is a beneficiary in a will, but also saddened that it is received in such sad circumstances.

The public donations received in 2011 (including the police station collection boxes) amounted to £6,340 this is a decrease of £1,032 on the previous year.

Subscriptions

The monthly members' donation during 2011 was £3.20 per month. The total receipts from members' donations (including the recovery of income tax from the HM Revenue and Customs through gift aid) was £121,243 this is a decrease of £6,756

over the previous year and is a reflection of the lower number of donating members, together with the end of the gift aid allowance following the reduction of income tax from 22% to 20%. The Gift Aid claim to the HM Revenue and Customs continue to be made on a monthly basis and amounted to £24,995 for 2011. This emphasises the importance of members' gift aiding their donations to the Fund

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 at the October 2011 Management Meeting it was agreed that in view of the current economic difficulties there be no increase in the members' monthly donation for 2012.

In-Force Fund Raising

The amount received during 2011 by the Fund through In Force fund increased from an all time low in 2010 to £2,630 an increase of £1,370.

As in the previous two years 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 within the Force area.

All 2011 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

Over the course of 2011 income from the Funds investment portfolio was £109,639 an increase of £21,932 over the previous year. As in 2010 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. This recovery has yet to be reflected in the portfolio value.

The income received from the interest bearing bank account and with Brewin Dolphin remains low at £222. To sum up, the total investment income for 2011 was £109,861 an impressive increase of 56% on investment income received two years ago in 2009 and an increase of 25% on 2010.

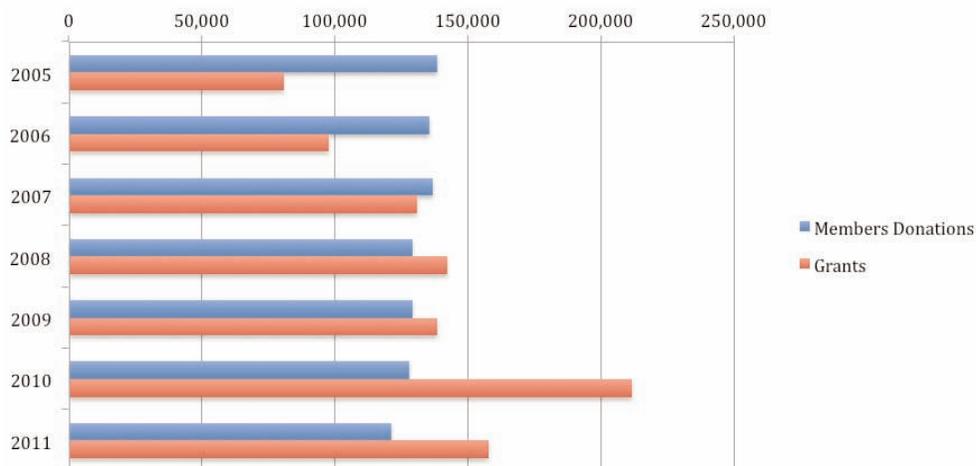
Expenditure

Grants

During 2011 a total of £158,087 was authorised in grant payments. This was made up of £90,000 for lump sum grants, £30,000 for dependant children grants and £38,087 for special grants.

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.

Members Donations and Grants



Administration

The overall administration costs of the Fund including the portfolio management fee and audit fee for 2011 was £43,345. This is an increase of nearly £4,562 over the previous year and reflects increased costs of salary, audit, public liability insurance and investment portfolio fees.

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

Assets

Investments

Since April 2010 the Funds investment portfolio has been managed by Brewin Dolphin Ltd, 12 Smithfield Street, London EC 1A 9BD and the Funds investment manager is Mr Paul Cattermull.

Whilst the overall value of the investment portfolio has reduced over the past twelve months by 3.1%, this should be seen as a reflection on the state of the equity market and the reduced confidence by the investors in general. Which is contrary to the investment income which has seen a 25% increase over the same period. History implies that the value of the equity market will return and provide best value for the Fund against inflation over time.

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

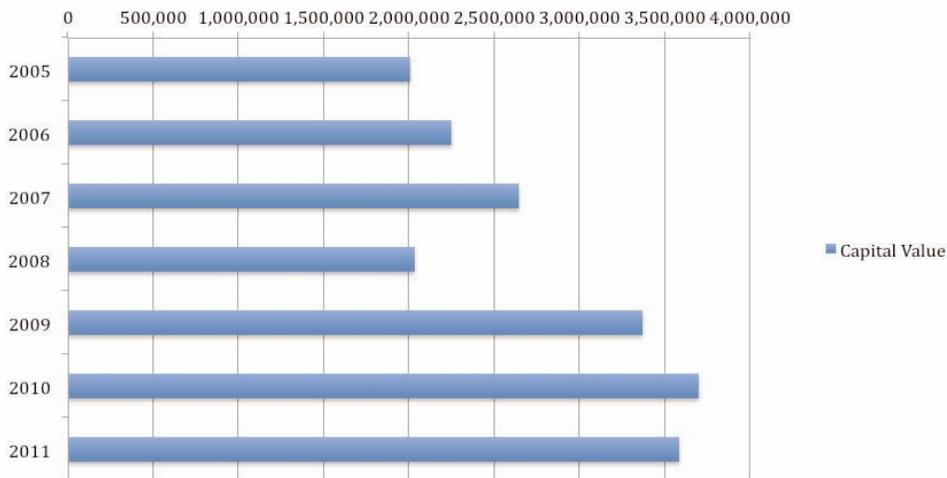
The Fund Investment Policy (as approved by the Management Committee of Trustees 06/04/2006 minute 16/06(a) refers) is as follows:

"The Fund Trustees will regularly review investments and will ensure that the Fund's 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 2011 the Funds capital value was £3,584,688 this is a decrease of £114,548. This represents a result in line with the turbulent market that has been experienced during 2011 and we look forward to a more balanced and settled 2012 and a boost to the British economy that hosting the Olympics will hopefully provide.

Capital Value



Reserves

The "reserves" of the Fund by definition as at 31st December 2011 were £3,584,688.

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"

Future Plans

This is the ninth successive year that the Fund has produced a positive balance sheet.

The moratorium on recruitment to the Force for the foreseeable future is of concern not only to the policing of Devon and Cornwall but to the continuing success of this Fund, as the prospect of increasing Fund membership is minimal in these circumstances and it is the Fund members that are the life blood of the Fund.

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 probably the oldest Police Benevolent Fund of any police force in England and Wales having its roots a Benevolent Fund set up in the old Plymouth City Force in 1917 at the instigation of the then Chief Constable H H Sanders. The Fund continues to be one of the most successful police funds of any Police Force in England and Wales despite the reduction in Fund membership and the poor state of the economy. It is a Fund set up and run by police officers for the benefit of police officers and their families and a Fund that its members can be justly proud.

Gerry Allen
Fund Administrator and Treasurer
On behalf of the Trustees

This report was approved by the Trustees on 18th April 2012 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

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).

The law applicable to charities in England and Wales 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 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 applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection fraud and other irregularities.

Independent Auditors' Report to the Trustees 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 31 December 2011, set out on pages 25 to 33. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees 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 trustees 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 Trustees' Responsibilities Statement set out on page 22, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit and express an opinion on the financial statements 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 financial statements. In addition, we read all the financial and non-financial information in the to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2011 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 applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Charities Act 1993.

Independent Auditors' Report to the Trustees of

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

..... *continued*

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 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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.

.....
Wortham Jaques
Chartered Accountants & Registered Auditors
Date: 18 April 2012

130a High Street
Crediton
Devon
EX17 3LQ

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

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund
Statement of Financial Activities for the Year Ended 31 December 2011

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
Note	£	£	£
Incoming resources			
Incoming resources from generated funds			
Voluntary income	2	154,792	154,792
Investment income	3	109,861	109,861
Total incoming resources		<u>264,653</u>	<u>262,629</u>
Resources expended			
Costs of generating funds			
Costs of generating voluntary income	4	2,602	2,602
Investment management costs	5	22,054	22,054
Charitable activities	6	171,189	171,189
Governance costs	10	4,756	4,756
Total resources expended		<u>200,601</u>	<u>250,593</u>
Net incoming resources before other recognised gains and losses		64,052	64,052
Other recognised gains/losses			
(Losses)/gains on investment assets		<u>(178,600)</u>	<u>317,841</u>
Net movements in funds		(114,548)	329,877
Reconciliation of funds			
Total funds brought forward		<u>3,699,236</u>	<u>3,699,236</u>
Total funds carried forward		<u><u>3,584,688</u></u>	<u><u>3,699,236</u></u>

The notes on pages 27 to 33 form an integral part of these financial statements

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

Balance Sheet as at 31 December 2011

		2011		2010	
	Note	£	£	£	£
Fixed assets					
Tangible assets	14		203		270
Investments	15		3,009,794		2,957,253
			3,009,997		2,957,523
Current assets					
Debtors	16	437,521		661,783	
Cash at bank and in hand		145,600		87,750	
		583,121		749,533	
Creditors: Amounts falling due within one year	17	(8,430)		(7,820)	
Net current assets			574,691		741,713
Net assets			3,584,688		3,699,236
The funds of the charity:					
Unrestricted funds					
Revaluation reserve			153,029		427,521
Unrestricted income funds			3,431,659		3,271,715
Total unrestricted funds			3,584,688		3,699,236
Total charity funds			3,584,688		3,699,236

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

Approved by the Board on 18 April 2012 and signed on its behalf by:

.....
Sergeant Nigel RABBITTS
Trustee

.....
Constable David JAMES
Trustee

The notes on pages 27 to 33 form an integral part of these financial statements

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

Notes to the Financial Statements for the Year Ended 31 December 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Charities Act 1993.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 20.

Incoming resources

Voluntary income including donations and legacies is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

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.

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

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income is recognised on a receivable basis.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. 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 comprise the costs associated with attracting voluntary income and investment management fees.

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.

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

Notes to the Financial Statements for the Year Ended 31 December 2011

..... *continued*

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Fixed assets

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

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	20% straight line basis
---------------------	-------------------------

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

2 Voluntary income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations and legacies			
In Force fundraising	2,630	2,630	1,260
Station boxes	695	695	946
Donations - general public	5,645	5,645	6,426
Legacies and bequests	24,579	24,579	38,213
	<u>33,549</u>	<u>33,549</u>	<u>46,845</u>
Subscriptions and Gift Aid			
Subscriptions receivable	96,248	96,248	99,684
Tax recoverable	24,995	24,995	28,315
	<u>121,243</u>	<u>121,243</u>	<u>127,999</u>
	<u>154,792</u>	<u>154,792</u>	<u>174,844</u>

3 Investment income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Income from listed investments	109,639	109,639	87,707
Interest on cash deposits	222	222	78
	<u>109,861</u>	<u>109,861</u>	<u>87,785</u>

4 Costs of generating voluntary income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Generating voluntary income			
Support costs allocated	2,602	2,602	2,559
	<u>2,602</u>	<u>2,602</u>	<u>2,559</u>

5 Investment management costs

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Administration of investments	22,054	22,054	18,828

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

6 Details of charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support costs allocated £	2011 £	2010 £
Grants to widows and orphans	94	158,087	13,008	171,189	224,669

7 Support costs

	Generating voluntary income £	Grants to widows and orphans £	Governance £	Total £
Employment costs	2,481	12,401	1,653	16,535
Establishment costs	11	54	7	72
Sundry and other costs	-	-	-	-
Website design and maintenance	100	503	67	670
Depreciation of tangible fixed assets	10	50	7	67
	<u>2,602</u>	<u>13,008</u>	<u>1,734</u>	<u>17,344</u>

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.

9 Grantmaking

Activity	Grants to individuals £
Grants to widows and orphans	90,000
Lump sum grants	27,489
Dependent child grants	40,598
Special grants	<u>158,087</u>

10 Governance costs

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Auditors' remuneration	3,022	3,022	2,831
Support costs allocated	1,734	1,734	1,706
	<u>4,756</u>	<u>4,756</u>	<u>4,537</u>

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund
Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

11 Trustees' remuneration and expenses

No trustees received any remuneration or reimbursement of expenses during the year.

12 Net incoming resources

Net incoming resources is stated after charging:

	2011		2010	
	£	£	£	£
Auditors' remuneration - audit services		1,732		1,676
Depreciation of tangible fixed assets		67		67

13 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year was as follows:

	2011 No.	2010 No.
Charitable activities	1	1

The aggregate payroll costs of these persons were as follows:

	2011 £	2010 £
Wages and salaries	12,725	12,090
Social security	810	870
Other pension costs	3,000	3,512
	16,535	16,472

No employee received emoluments of more than £60,000 during the year (2010 - No. 0).

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund
Notes to the Financial Statements for the Year Ended 31 December 2011

..... *continued*

14 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost or Valuation	
As at 1 January 2011 and 31 December 2011	2,436
Depreciation	
As at 1 January 2011	2,166
Charge for the year	67
As at 31 December 2011	2,233
Net book value	
As at 31 December 2011	203
As at 31 December 2010	270

15 Investments held as fixed assets

	Listed investments £	Cash deposits £	Total £
Market value			
As at 1 January 2011	2,935,906	21,348	2,957,254
Revaluation	(215,203)	-	(215,203)
Additions	565,678	856,968	1,422,646
Disposals	(457,239)	(697,664)	(1,154,903)
As at 31 December 2011	2,829,142	180,652	3,009,794
Net book value			
As at 31 December 2011	2,829,142	180,652	3,009,794
As at 31 December 2010	2,935,906	21,348	2,957,254

All investment assets were held in the UK.

16 Debtors

	2011 £	2010 £
Other debtors	432,820	654,254
Prepayments and accrued income	4,701	7,529
	437,521	661,783

Devon and Cornwall Constabulary Widows' and Orphans' Compassionate Fund

Notes to the Financial Statements for the Year Ended 31 December 2011

..... continued

17 Creditors: Amounts falling due within one year

	2011 £	2010 £
Accruals and deferred income	<u>8,430</u>	<u>7,820</u>

18 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £3,000 (2010 - £3,512).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

19 Related parties

Controlling entity

The charity is controlled by the trustees.

20 Analysis of funds

	At 1 January 2011	Incoming resources	Resources expended	Other recognised gains/losses	At 31 December 2011
	£	£	£	£	£
General Funds					
Unrestricted income fund	<u>3,699,236</u>	<u>264,653</u>	<u>(200,601)</u>	<u>(178,600)</u>	<u>3,584,688</u>

21 Net assets by fund

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Tangible assets	203	203	270
Investments	3,009,794	3,009,794	2,957,253
Current assets	583,121	583,121	749,533
Creditors: Amounts falling due within one year	<u>(8,430)</u>	<u>(8,430)</u>	<u>(7,820)</u>
Net assets	<u>3,584,688</u>	<u>3,584,688</u>	<u>3,699,236</u>

Members

The following members died during 2011

January 2011	Ex-Inspector Peter Bowden of Exmouth Ex-Sergeant Kenneth Davey of Plympton Ex-Sergeant Kenneth Winstanley of Exeter Ex-Constable Barry George of Hayle
February 2011	Ex-Constable Sean Nally of Plymouth Ex-Sergeant Eldred Chapman of Bodmin Ex-Constable Tony Dickens of Paignton Ex-Sergeant Jack Critchard of Ilfracombe Ex-Constable Hugh Hill of Truro
March 2011	Ex-Constable Bert Loram of Newton Abbot Ex-Constable Charles (Nobby) Clark of Plympton Ex-Inspector Terry Sweeney of Algarve, Portugal Ex-Constable George Lidstone of Dawlish
April 2011	Ex-Constable Andy Doble of Tywardreath Ex-Superintendent Cliff Shepperd of Bodmin Ex-Chief Inspector Alan (Jock) Traill of Tiverton
May 2011	Ex-Sergeant Lesley Samuels of Braunton Ex-Sergeant Peter Hutchings of Exmouth Ex-Sergeant John Passmore of St Austell
June 2011	Ex-Constable Phil Diss of Torquay Ex-Constable Danny Blight of Camborne Ex-Inspector John Chambers of St Austell
July 2011	None
August 2011	Ex-Constable John Skelton of Rye, East Sussex Ex-Sergeant Arthur Drew of Exeter Ex-Chief Inspector Bev Walker of Exeter
September 2011	Ex-Inspector George Bell of Plymouth
October 2011	Ex-Constable Dennis Levett of Bickington Ex-Chief Inspector Gerry Tremelling of Falmouth Ex-Constable Gordon Daniels of Torquay

November 2011	Ex-Constable John Leitch of Plympton Ex-Sergeant George Trewella of Penryn Ex-Constable John Finch of Exeter
December 2011	Ex-Constable Pat Hardy of Kingskerswell

The £1,000,000 Pugsley Legacy

Little is known of the Fund's generous benefactor who, on her death in 2008, bequeathed the Fund one third of her residual estate for the benefit of our Fund; the remaining two thirds of the estate were bequeathed to two large national charities.

What is known is that she was Joyce Kathleen Pugsley, born in North Devon in 1917 to farming stock, a spinster who lived in Barnstaple, North Devon where she owned and farmed land in and around the Barnstaple area. She was well known in North Devon farming circles, had a love of animals and enjoyed horse riding. She supported and in past years rode with both the Exmoor Foxhounds and Devon and Somerset Staghounds.

Some might have said that she was somewhat eccentric which might be borne out by her leaving a £150,000 legacy to be invested for the care of her Jack Russell Terrier 'Henry' and for him to live in her house for the remainder of his life! As it happens Henry predeceased Kathleen by two years and so she left a bequest to the Dogs Trust.

We shall probably never know why she chose our Fund to benefit in this exceptionally generous way but as a Fund we are very grateful for her kindness and thought for others.

She had no known connections with the Devon & Cornwall Constabulary.

We have been able to obtain one of the few photographs of Miss Joyce Pugsley (she apparently shied away from having her photograph taken) and are pleased to include it in this annual report as a tribute to her and her memory.



The Fund's generous benefactor Miss Joyce Kathleen Pugsley

In Force Fund Raising Donations received in 2011

	Police Ball	£	Other Sources	£	Total £
	none				
Other			D&CC Force Bowling Section: Memorial Match Re the late Sergeant Neale Jones	79.00	
			D&CC Police Federation Joint Branch Board	980.00	
			NARPO North Devon	600.00	
			NARPO Exeter & East Devon	250.00	
			NARPO Cornwall	500.00	
			NARPO South Devon	200.00	
			Ms Pam Giles	21.00	
			TOTAL		2,630.00