

**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**

2012

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

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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 RABBITTS
Vice Chairman:	Sergeant Rachel MANIFIELD
Secretary:	Constable David JAMES
Treasurer and Administrator (non Trustee):	Gerry ALLEN

Elected Representatives

Superintendents:	Chief Superintendent Andy BICKLEY Superintendent Michele SLEVIN
Inspectors:	Inspector Andy HAMILTON Inspector Jon HIGGS 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 Stuart PAYNE Vacancy Devon Constable Karen STIVEN Constable Martin BECK Constable Joanne MAY Constable Paul MANIFIELD Vacancy
NARPO:	Cornwall Tony FAIRLESS Devon Tony DARK Plymouth Brian RUNDLE Co-opted Independent Pensioner Pam GILES

Trustees Annual Report

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 £3,871,896. In addition a total of £6,115,450 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 2012-2013 academic year was set at £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

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

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 have to report that the Fund returned a debit balance of £14,518 for the accounting year, however this is more than compensated by the increase in the value of the unrestricted funds of £287,208

Administrative Detail

Details of the reference and administrative information of the charity and its Trustees at the time of signing this report are set out on pages 2 and 3 of this report.

Trustees

In April 2012 the new Chief Constable Shaun Sawyer accepted the Fund Trustees invitation to become the Fund President. His position as Chief Constable has now been confirmed by the New Police Commissioner and the Fund Trustees congratulate him on his appointment and look forward to working with him during 2012 and to the date this report was signed the following changes in Trustees have taken place:

New Trustees

January 2012	Chief Superintendent Andy Bickley
January 2012	Sergeant Mike Norsworthy
April 2012	Chief Constable Shaun Sawyer
June 2012	Inspector Andy Hamilton
January 2013	Inspector Jon Higgs

Resigning Trustees

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)
May 2012	Constable Paul Hutchings (resigned as trustee)
June 2012	Inspector Tim Galbraith (on retirement)
December 2012	Inspector Mick Glynn (on retirement)
December 2012	Constable Sherman Wright (on retirement)

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 & Torridge

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 Vulnerable Persons

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 17(5) of the 2011 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 2012 there has been zero recruitment to the Devon & Cornwall Constabulary and therefore no recruitment to the Fund as members. The implementation of Police Regulation A19 where all sworn police officers with 30 years or more pensionable service were compulsorily retired was suspended in September 2012. Looking forward, recruitment to the Force is due to recommence

in April 2013 and so there will be an opportunity to increase membership numbers of the Fund.

At the January 2012 Trustees Meeting it was agreed to implement the following membership policy 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 2858 this is made up of 1345 serving officers and 1513 pensioners. In relation to the pensioners 707 members are eligible to enjoy free membership due to age and 1 member at the discretion of the Management Committee.

As at 31st December 2012 there was a decrease of 218 Fund members from the previous year. This is made up of the death of 44 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. 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 £2,797 of which £87 was received in the Funds collection boxes located in police enquiry offices throughout the Force. This is over £3500 less than the amount received during 2010. 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 2012 the Fund received £1,541 from In-Force fund raising, this continues to be a disappointing statistic for the Fund

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 2012.

During 2012 the number of Fund members who died was 44 an increase of 9 over the previous year. Of this number 12 members were either widow(er)s or divorced; one widow was not eligible to apply, this left 31 surviving spouses / partners who were eligible to apply for a lump sum grant. Of this number lump sum grant payments were made to 20 widows / partners at a cost of £120,000. There was one lump sum grant payment made to a widow at a cost of £6,000 who had been widowed the in the previous year (2011). This makes a total of £126,000 paid out in lump sum grants during 2012.

During 2012 there were eleven widows / partners who did not apply for a grant or were not in financial need.

The number of dependant children has remains the same at 25 and of this number 7 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 is currently £1,200 per annum. 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 2012/2013 academic year and a back payment of £287 on the previous academic year.

Progress

During 2012 the Funds incoming resources was £249,064 and the expenditure of the Fund during 2012 was £263,582. Therefore the Fund had a deficit of £14,518 over the year, however the value of the unrestricted funds increased by £287,208 over the same period which more than compensated for this deficit.

It is however 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 2012 the unrestricted funds of the Compassionate Fund were £3,871,896 this is an increase of £287,208 on the previous year and represents an 8% increase in the value of the Fund. It is also pleasing to note that the dividend

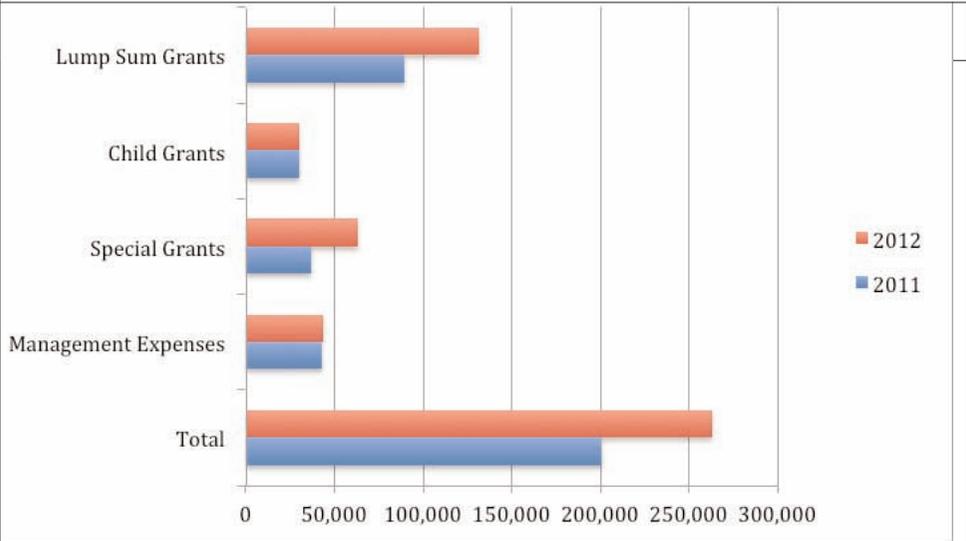
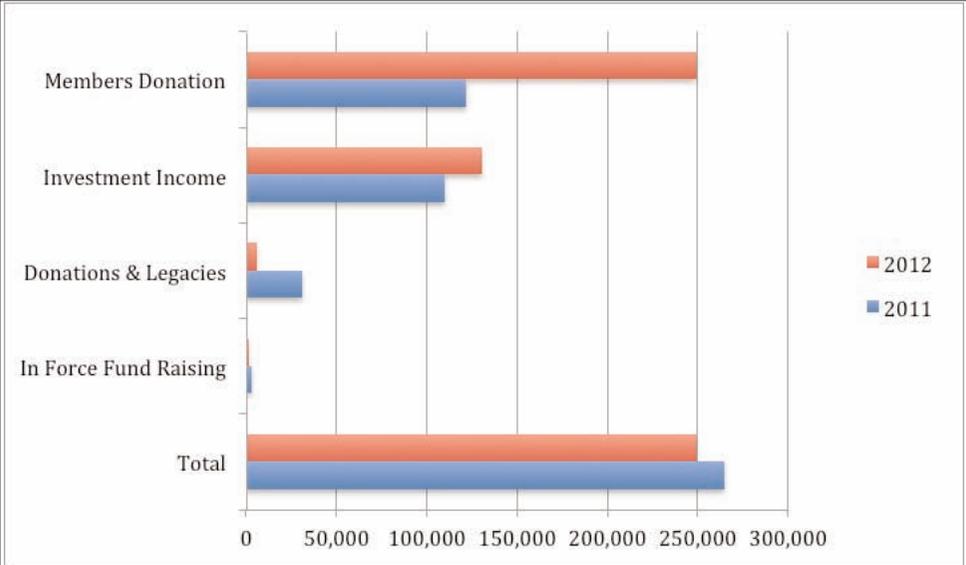
income increased by £20,783 from £109,861 to £130,644 an increase of nearly 19%!!

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.

Members and Dependants of the Fund as at 31st December 2012

	2011	2012	Decrease (-)	Increase (+)
Total Fund Members	3076	2858	-218	
Serving Officers	1496	1345	-151	
Pensioners	1580	1513	-67	
Subscribing	905	856	-49	
Free Members (over 70yrs)	675	657	-18	
Paid Lump Sum Grant	15	20		+5
Dependant Children Supported	25	25	-	-
16 years and over undergoing full time education	10	7	-3	
Under 16 years	15	18		+3



Accounts

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. During 2012 one parcel of land had been subject of an option agreement with Barrett homes and they are now actively seeking planning permission to develop this land. When that permission is obtained then the increased value of the land will be realised and purchased by the developer.

In relation to the other parcel of land negotiations are at an advanced stage to secure another option agreement with a national residential developer.

During 2012 legacies / bequests received amounted to £3,113. 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 2012 (including the police station collection boxes) amounted to £2,797

Members' donations

The monthly members' donation during 2012 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 £110,969 this is a decrease of £10,274 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 amounted to £22,069 for 2012. 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 2012 Management Meeting and for a second year it was agreed that in view of the current economic difficulties there be no increase in the members' monthly donation for 2013.

In-Force Fund Raising

The amount received during 2012 by the Fund through In Force fund raising was £1,541. As in the previous three 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: The Devon & Cornwall Police Federation Joint Branch Board and the various branches of NARPO within the Force area.

All 2012 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 2012 income from the Funds investment portfolio was £130,484 an increase of £20,845 over the previous year. The income received from the interest bearing bank account at HSBC and with Brewin Dolphin remains low at £160. To sum up, the total investment income for 2012 was £130,644 an increase of 48% on investment income received two years ago in 2010

Expenditure

Grants

During 2012 a total of £219,858 was authorised in grant payments. This was made up of £126,000 for lump sum grants, £30,287 for dependant children grants and £63,571 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.

In August 2012 the plight of police pensioner Frank Stansfield came to the attention of the Fund. Both he and his wife Elaine had suffered from ill health in recent years but in particular it was his wife that has suffered the most severe disability. In July 2012 they had moved from rented accommodation in Devon to an apartment on an assured tenancy from the Police Pensioners Housing Association in West Sussex. However due to his wife's disability the bathroom required conversion to a disability facility and he applied for a grant from the Fund. In October 2012 the Fund Trustees authorised a grant for the cost of the bathroom conversion and private ambulance cost to transport Elaine from Devon to West Sussex.

The following letter was received from Frank Stansfield

11 October 2012



Dear Administrator

Elaine and I would like to say a big thank you to yourself and the committee for the generous award made for the cost of a walk in shower and private ambulance costs for our move to West Sussex.

It isn't until you face serious disability that the cost of care sinks in. We all try to save so we do not struggle to maintain a good standard of living in old age, but sudden events beyond your control can have a great impact on your finances and lifestyle. When I first joined the then Devon.

Constabulary in 1963 I contributed to the WOCF without a thought that one day I or my dependants would ever need financial help. Like with any form of insurance, it's just something you think you need to have but will probably never use as - 'it's not going to happen to me'.

With the decline of Police Clubs and Divisional / Sectional Police Balls it must be difficult to maintain a substantial income for the Fund and I hope that all current fund raisers receive the recognition they truly deserve for this very worthwhile cause.

Well done and thank you to all concerned

Frank Stansfield



Each year there is a review of the dependant children of the Fund to ensure their continued eligibility to receive a Fund grant. Following this review the Fund Administrator received this letter from Samuel Warne who has just completed his full time education.

9 September 2012

Dear Administrator

I wish to convey my deepest gratitude for the kind donations and support I have received since the sudden death of my father, Ian Warne. The money you have provided me has in no doubt contributed to the success of my academic career and the consequent employment I gained in teaching English in Japan and the Employment I now have in London at the Anthony Nolan Trust. The support you have given me for my tuition fees was overwhelming and has meant that I do not have to worry, as many graduates my age do, about the huge burden of student loan repayments. The money you provided for me meant that I did not have to seek employment whilst I was at university. This allowed me to study at weekends and enjoy my hobbies of kung fu and rugby during the week day

evenings. I was able to lead the university orchestra in our final gala concert of the year in June and enjoyed success with a very comfortable 2:1 degree in Biology and Music (BSc Hons).

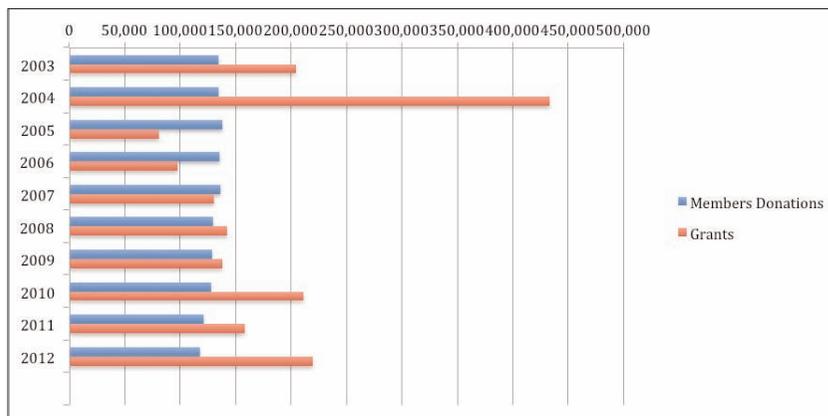
My family and I cannot fully express how thankful I am for this support over the last six and half years and I am completely in your debt for the kind generosity you have shown me.

Yours faithfully
Samuel Warne



Surprisingly not many letters of appreciation are received from dependant children so this was especially well received by Fund Trustees.

Members Donations and Grants



Administration

The overall administration costs of the Fund including the portfolio management fee and audit fee for 2012 was £43,620. This is a small decrease over the previous year. 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.

The overall value of the investment portfolio has increased over the past twelve months by £384,926 which after deducting the £25,000 returned for reinvestment amounts to an 11.9% increase in Fund value. In addition the investment income has seen an 18% increase over the same period which is an increase of £20,783.

The Fund fell short of a positive balance sheet by £14,518 but this short fall has been absorbed by the cash held on deposit account and this will ensure there is no requirement to sell equities to finance the Funds charitable activities. In addition the increase in the investment portfolio of 11.9% over the year also puts this overspend into context.

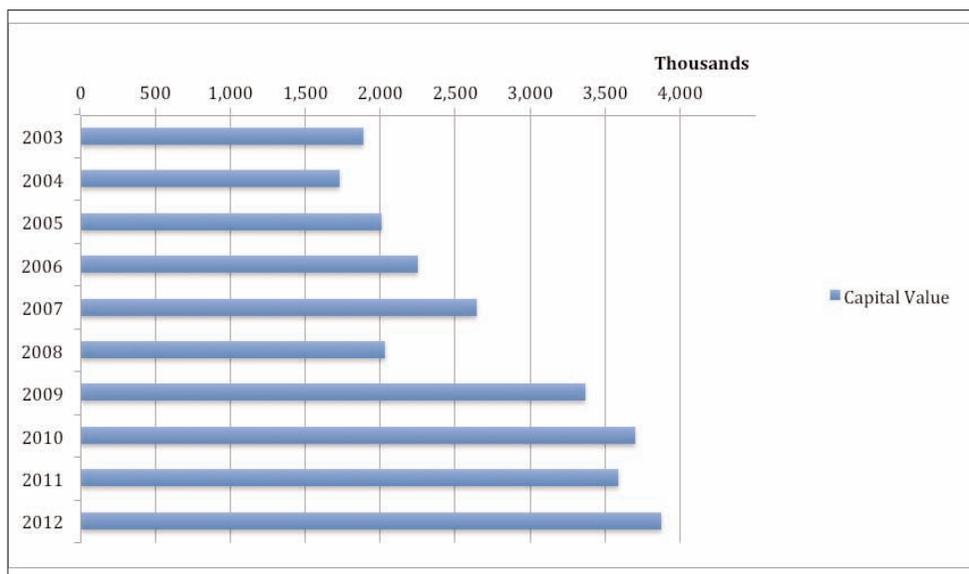
The overspend over income was caused by an increase in the annual amount authorised for Grants and the decrease in income from members monthly donations

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 2012 the Funds capital value was £3,871,896 this is an increase of £287,208. This result is possibly contrary to the continued gloomy outlook on the UK economy and the fear of a further dip into recession however the stock market appeared to rally towards the year end thus producing this positive result.



Reserves

The 'reserves' of the Fund by definition as at 31st December 2012 were £3,871,896.

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

It is anticipated the recruitment to the force will recommence in April 2013 which is good news not only for the Fund but also for the general populace of Devon and Cornwall. Hopefully there will be new members for the Fund among the new recruits.

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.

The audit of the Fund was carried out in February 2013 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.

Finally I will take this opportunity to thank the Fund's auditors: David Wortham and Charlotte Gibbs and Investment Managers Paul Cattermull and James Hayley Bell for their professional advice and input over the past twelve months.

Gerry Allen
Fund Administrator and Treasurer on behalf of the Trustees

This report was approved by the Trustees on 10th April 2013 and was signed on their behalf by:

Mr N Rabbitts
Fund Chairman

Mr D James
Fund Secretary

Devon and Cornwall Constabulary Widows', Orphans' and 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 2011, 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 of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity 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.

Independent Auditors' Report to the Trustees of Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund

We have audited the financial statements of Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund for the year ended 31 December 2012, set out on pages 23 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 145 of the Charities Act 2011 and regulations made under section 154 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 20, 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the 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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report 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 2012 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 2011.

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Matters on which we are required to report by exception

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

- the 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 & Statutory Auditors

130a High Street
CREDITON
Devon
EX17 3LQ

Date:

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

Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund Statement of Financial Activities for the Year Ended 31st December 2012

		Unrestricted Funds	Total Funds 2012	Total Funds 2011
	Note	£	£	£
Incoming resources				
Incoming resources from generated funds				
Voluntary income	2	118,420	118,420	154,792
Investment income	3	130,644	130,644	109,861
Total incoming resources		<u>249,064</u>	<u>249,064</u>	<u>264,653</u>
Resources expended				
Costs of generating funds				
Costs of generating voluntary income	4	2,587	2,587	2,602
Investment management costs	5	23,243	23,243	22,054
Charitable activities	6	232,906	232,906	171,189
Governance costs	9	4,846	4,846	4,756
Total resources expended		<u>263,582</u>	<u>263,582</u>	<u>200,601</u>
Net (outgoing)/incoming resources before other recognised gains and losses		(14,518)	(14,518)	64,052
Other recognised gains/losses				
Gains/(losses) on investment assets		<u>301,726</u>	<u>301,726</u>	<u>(178,600)</u>
Net movements in funds		287,208	287,208	(114,548)
Reconciliation of funds				
Total funds brought forward		<u>3,584,688</u>	<u>3,584,688</u>	<u>3,699,236</u>
Total funds carried forward		<u>3,871,896</u>	<u>3,871,896</u>	<u>3,584,688</u>

The notes on pages 25 to 33 form an integral part of these financial statements

Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund Balance Sheet as at 31st December 2012

		2012		2011	
	Note	£	£	£	£
Fixed assets					
Tangible assets	13		152		203
Investments	14		<u>3,394,720</u>		<u>3,009,794</u>
			3,394,872		3,009,997
Current assets					
Debtors	15	434,596		437,521	
Cash at bank and in hand		<u>63,388</u>		<u>145,600</u>	
		497,984		583,121	
Creditors: Amounts falling due within one year	16	<u>(20,960)</u>		<u>(8,430)</u>	
Net current assets			<u>477,024</u>		<u>574,691</u>
Net assets			<u><u>3,871,896</u></u>		<u><u>3,584,688</u></u>
The funds of the charity:					
Unrestricted funds					
Revaluation reserve			432,157		153,029
Unrestricted income funds			<u>3,439,739</u>		<u>3,431,659</u>
Total unrestricted funds			<u><u>3,871,896</u></u>		<u><u>3,584,688</u></u>
Total charity funds			<u><u>3,871,896</u></u>		<u><u>3,584,688</u></u>

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

Approved by the Board on 10th April 2013 and signed on its behalf by:

Sergeant Nigel RABBITTS
Trustee

Constable David JAMES
Trustee

The notes on pages 25 to 33 form an integral part of these financial statements

Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund Notes to the Financial Statement for the Year Ended 31st December 2012

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 2011.

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.

..... continued

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

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
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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.

..... continued

2 Voluntary income

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Donations and legacies			
In Force fundraising	1,541	1,541	2,630
Station boxes	87	87	695
Donations - general public	2,710	2,710	5,645
Legacies and bequests	3,113	3,113	24,579
	<u>7,451</u>	<u>7,451</u>	<u>33,549</u>
Subscriptions and Gift Aid			
Subscriptions receivable	88,900	88,900	96,248
Tax recoverable	22,069	22,069	24,995
	<u>110,969</u>	<u>110,969</u>	<u>121,243</u>
	<u>118,420</u>	<u>118,420</u>	<u>154,792</u>

3 Investment income

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Income from listed investments	130,484	130,484	109,639
Interest on cash deposits	160	160	222
	<u>130,644</u>	<u>130,644</u>	<u>109,861</u>

4 Costs of generating voluntary income

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Generating voluntary income			
Support costs allocated	<u>2,587</u>	<u>2,587</u>	<u>2,602</u>

..... continued

5 Investment management costs

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Administration of investments	23,243	23,243	22,054

6 Details of charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support costs allocated £	2012 £	2011 £
Grants to widows and orphans	104	219,858	12,944	232,906	171,189

7 Support costs

	Generating voluntary income £	Grants to widows and orphans £	Governance £	Total £
Employment costs	2,519	12,599	1,680	16,798
Establishment costs	36	182	24	242
Computer and other costs	3	18	3	24
Website design and maintenance	21	107	14	142
Depreciation of tangible fixed assets	8	38	5	51
	<u>2,587</u>	<u>12,944</u>	<u>1,726</u>	<u>17,257</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.

8 Grantmaking

Activity	Grants to individuals £
Grants to widows and orphans	126,000
Lump sum grants	30,287
Dependent child grants	63,571
Special grants	<u>219,858</u>

..... continued

9 Governance costs

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Auditors' remuneration	3,120	3,120	3,022
Support costs allocated	<u>1,726</u>	<u>1,726</u>	<u>1,734</u>
	<u>4,846</u>	<u>4,846</u>	<u>4,756</u>

10 Trustees' remuneration and expenses

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

11 Net (outgoing)/incoming resources

Net (outgoing)/incoming resources is stated after charging:

	2012		2011	
	£	£	£	£
Auditors' remuneration - audit services		1,780		1,732
Depreciation of tangible fixed assets		<u>51</u>		<u>67</u>

..... continued

12 Employees' remuneration

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

	2012	2011
	No.	No.
Charitable activities	<u>1</u>	<u>1</u>

The aggregate payroll costs of these persons were as follows:

	2012	2011
	£	£
Wages and salaries	13,061	12,725
Social security	737	810
Other pension costs	<u>3,000</u>	<u>3,000</u>
	<u>16,798</u>	<u>16,535</u>

No employee received emoluments of more than £60,000 during the year (2011 - No. 0).

Senior employees

During the year, defined contribution pension contributions on behalf of these staff amounted to £nil (2011 - £nil).

..... continued

13 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost or Valuation	
As at 1 January 2012 and 31 December 2012	<u>2,436</u>
Depreciation	
As at 1 January 2012	2,233
Charge for the year	<u>51</u>
As at 31 December 2012	<u>2,284</u>
Net book value	
As at 31 December 2012	<u><u>152</u></u>
As at 31 December 2011	<u><u>203</u></u>

14 Investments held as fixed assets

	Listed investments £	Cash deposits £	Total £
Market value			
As at 1 January 2012	2,829,142	180,652	3,009,794
Revaluation	270,262	-	270,262
Additions	482,917	495,346	978,263
Disposals	<u>(233,686)</u>	<u>(629,913)</u>	<u>(863,599)</u>
As at 31 December 2012	<u>3,348,635</u>	<u>46,085</u>	<u>3,394,720</u>
Net book value			
As at 31 December 2012	<u><u>3,348,635</u></u>	<u><u>46,085</u></u>	<u><u>3,394,720</u></u>
As at 31 December 2011	<u><u>2,829,142</u></u>	<u><u>180,652</u></u>	<u><u>3,009,794</u></u>

All investment assets were held in the UK.

..... continued

15 Debtors

	2012	2011
	£	£
Other debtors	429,822	432,820
Prepayments and accrued income	4,774	4,701
	<u>434,596</u>	<u>437,521</u>

16 Creditors: Amounts falling due within one year

	2012	2011
	£	£
Accruals and deferred income	<u>20,960</u>	<u>8,430</u>

17 Contingent liabilities

During the year the trustees authorised a grant of £5,000 to a beneficiary whose health prevented use of that grant before the year end. The grant will be released as and when the beneficiary's condition allows.

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 (2011 - £3,000). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

..... continued

19 Related parties

Controlling entity

The charity is controlled by the trustees.

20 Analysis of funds

	At 1 January 2012	Incoming resources	Resources expended	Other recognised gains/losses	At 31 December 2012
	£	£	£	£	£
General Funds					
Unrestricted income fund	<u>3,584,688</u>	<u>249,064</u>	<u>(263,582)</u>	<u>301,726</u>	<u>3,871,896</u>

21 Net assets by fund

	Unrestricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£
Tangible assets	152	152	203
Investments	3,394,720	3,394,720	3,009,794
Current assets	497,984	497,984	583,121
Creditors: Amounts falling due within one year	<u>(20,960)</u>	<u>(20,960)</u>	<u>(8,430)</u>
Net assets	<u>3,871,896</u>	<u>3,871,896</u>	<u>3,584,688</u>

Members

The following members died during 2012

January 2012	Ex-Constable Jack Rule of Paignton Ex-Constable William Hoare of Saltash Ex-Constable Ronald Athur of Llanelli, South Wales
February 2012	Ex-Constable Clifford Waycott of Budleigh Salterton Ex-Chief Inspector Gordon Temby of Newton Abbot Ex-Constable Brian May of Launceston
March 2012	Ex-Sergeant Graeme Pitman of Exmouth Ex-Sergeant John Tucker of Paignton Ex-Inspector John Hendy of Exeter Ex-Superintendent Robin Bailey of Exeter
April 2012	Ex-Sergeant Michael Chadwick of Hayle Ex-Constable Barry Denner of Crediton Ex-Constable Mike Greenhalgh of Torquay Ex-Constable Derek Hill of Plympton Ex-Constable John Gilling of Langtoft, Lincs
May 2012	Ex-Constable Geoff Oatey of Torpoint Ex-Constable John Pomeroy of Bodmin Ex-Sergeant Lou Leyman of Exeter Ex-Chief Superintendent Rupert Hardwell Ex-Constable Dennis Warrick of Plymouth Ex-Sergeant Roderick Peters of Plymouth Ex-Constable Bert Ousley of Torquay
June 2012	Ex-Inspector Arthur Lemon of Teignmouth Ex-Inspector Robert Redding of Plymouth Ex-Constable Charlie Troake of Exmouth Ex-Sergeant Mike Loveless of Starcross Ex-Sergeant Arthur White of Totnes
July 2012	Ex-Constable Edward Searle of Plymouth Ex-Constable Bill Kendrick of Nottingham Ex-Constable John Daniell of Ipplepen Ex-Chief Inspector Gordon Hellier of Totnes

August 2012	Ex-Constable John Turton of Totnes Constable Warren Marks of Plymouth
September 2012	Ex-Sergeant Percival Williams MBE of Camborne Ex-Constable Joe Horder of Crediton Ex-Chief Inspector Derek Lines of Exeter Ex-Sergeant Maurice Elliott of Torpoint
October 2012	Ex-Constable Percy Richards of Exeter
November 2012	Ex-Constable David Jeffery of Carbis Bay Ex-Chief Inspector John Bradley of Elburton Ex-Chief Superintendent Reg Perryman of Liskeard Ex-Constable Dave (Bezzie) Berryman of Rosudgeon Ex-Constable Tony Hartley of Sompting, Sussex
December 2012	Ex-Inspector Gordon Burd of Exeter

In Force Fund Raising Donations received in 2012

	Police Ball	£	Other Sources	£	Total £
			D&CC Police Federation Joint Branch Board	855.00	
			NARPO North Devon	300.00	
			NARPO Exeter & East Devon	250.00	
			Residual cash from golf competition Stover	136.00	
			TOTAL		1,541.00

