

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



Otherwise known as
The Devon and Cornwall Constabulary
Compassionate Fund

**Annual Report and Financial
Statements for the Year Ended
31st December 2016**

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 and Cornwall Constabulary Widows',
Orphans' and 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 EX1 3QS

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

Membership of the Management Committee at April 2016

Officers

President: The Chief Constable Shaun Sawyer

Chairman: Mr Nigel Rabbitts

Vice Chairman: Sergeant Rachel Manifold

Secretary: Mr David James

Treasurer and Administrator (non-Trustee): Sara Westcott

Elected Representatives

Superintendents	Chief Superintendent Paul Davies Superintendent Ken Lamont	
Inspectors	Inspector Andy Hamilton Inspector Ian Milligan	
Sergeants	Sergeant Pennie Channing Sergeant Mike Norsworthy	
Constables	Cornwall	Constable Sam Hill Constable Jason Howard Constable Paul Jeffery
	Plymouth	Constable Guy James
	Devon	Constable Jenny Tucker Constable Martin Beck Constable Joanne May Constable Paul Manifold
NARPO	Cornwall	Spencer Pritchard
	Devon	Tony Dark
	Plymouth	Vince Bedford

Co-opted Representatives

Serving	Inspector David Routley
Force Lead Chaplain	Sarah Jeffrey
Pensioner	Michele Wilson
Pensioner	Pam Giles
Pensioner	Christine Marriott
	[Retired Constable, Plymouth]

Report of the Trustees

Introduction

The Fund was created in 1968 by the amalgamation of the Welfare Funds of the three former Constabularies, namely Devon and Exeter Constabulary, Cornwall Constabulary and Plymouth City Police, which now form the Devon & Cornwall Constabulary. Since the Fund was founded the Fund assets have grown from £91,386 to £5,024,007. In addition, a total of £6,737,228 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.

The initial decision in relation to the authorisation of the Lump Sum grant is made by the Funds Grant Sub-Committee. Where the application is authorised the applicant is advised by letter and the payment of the grant is made forthwith. Where the application is not authorised the applicant is advised by letter giving the reasons and informed, that if they do not agree with the decision of the Funds Grant Sub-Committee they may appeal in writing to the next Fund Management meeting of the full Trustees. In any case the applicants' remain dependants' of the Fund and may apply at any time in the future for a special grant where there is a financial need.

It is open to any orphan of the Fund to apply for a dependent 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 dependent child grant is reviewed and awarded annually. The value of the grant for the 2016-2017 academic year was set at £2,000 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. The purpose of the grant is to assist in the development and growth of the child educationally, physically, personally and/or recreationally.

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 (January, April, July and October).

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 £3,000. This is then reported at the next Trustees management meeting for information and any further action that may be required. At the 2016 Annual General Meeting it was agreed to keep the emergency grant at £3,000.

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 Fund's 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 website now has a 'Live Link' button which links directly to our 'Virgin Money Giving' portal.

In conclusion of this introduction, I have to report that the Fund made a surplus of £14,094 for the accounting year. However, there was an unprecedented increase in the value of the fund's investments of £602,051 meaning that unrestricted funds increased by £616,035: 2015 there was a decrease in the value of unrestricted funds of £17,060 because the operating surplus of £42,497 was outweighed by an unrealised loss on investments of £59,558.

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

The President of the Fund is the Chief Constable Shaun Sawyer.

During 2016 and to the date this report was signed the following changes in Trustees have taken place:

New Trustees

Resigning Trustees

November 2016 Inspector John Higgs

It is an opportune moment to thank the resigning Trustees for their valued input and contribution to the Management Committee and smooth running of this Fund. We wish them well in their retirement from the Fund/Constabulary.

It is also reassuring that there are officers putting themselves forward as Fund Trustees when a vacancy arises.



Retirement of the Fund Administrator Mr Gerry Allen

On the 31st of October 2016 the Chief Constable and Trustees of the Fund held a reception for Mr Gerry Allen and his wife Diana. The Chief Constable made a presentation to Gerry and his wife, and on behalf of the Trustees and our members, thanking him for his dedication and hard work. A photographic montage was played showing a number of photos spanning his long career as a Police Officer. Gerry has worked

tirelessly for the Fund for the last 15 years, helping to support our members and their families in times of great distress. The new Fund Administrator would also like to thank Gerry for his ongoing support and advice which has helped her immensely. The Fund has also received many kind messages of goodwill from our members, thanking him for his care and support during their times of need. We would like to take this opportunity to wish Gerry and Diana a long and happy 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 Mrs Sara Westcott a retired police officer of Devon and Cornwall Constabulary.

Recruitment of Trustees

Trustees of the Fund (The Committee) are all serving or retired police officers and members of the Fund (except where specifically waived by resolution of the committee). 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.

The Development Team are working towards recommendations to update the selection criteria of Trustees to reflect the changes in the structure of the Police Federation and the Constabulary. These recommendations will be presented for consideration in due course.

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 then 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. All Trustees are now required to produce up to date Identification documentation in order to comply with Anti Money Laundering legislation.

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 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 (2017 @ £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.

In April 2013 recruitment to the force was recommenced and we again had the opportunity to encourage Fund membership. However recruitment to the Fund was almost zero and at the July 2013 Management Meeting it was agreed by the Trustees that Fund Policy in relation to new recruits should be amended as follows:

Probationers

- Free membership of the Fund for probationers (two years)
- Must sign the application to join the Fund.
- Must sign gift aid form
- Monthly donation to commence automatically on completion of probation.

Whilst the effect of this new policy has been disappointing, it is accepted that new recruits have limited income and this is reflected in other subscriptions such as Federation, Group Insurance, the Gurney Fund etc. The Fund Administrator has raised this as a potential welfare issue for all new Officers. It is hoped that the forthcoming promotional DVD for the Fund will help to regenerate interest and understanding of the importance of the Fund, to new recruits.

The total membership of the Fund is 2530 this is made up of 998 serving officers and 1531 pensioners. In relation to the pensioners 873 members are eligible to enjoy free membership due to age and 1 member at the discretion of the Management Committee.

As at 31st December 2016 there was an increase of 4 Fund members from the previous year. However, it should be noted that this included an increase in the number of Retired Officers reaching 70 years of age and receiving free membership. This was an increase of 35 members [873 in 2016 compared to 838 in 2015]. Therefore there has been a decrease in the number of subscribing members during 2016. This trend will need to be monitored carefully by the Trustees.

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.

In view of the fact that serving officer member numbers are declining the following was unanimously agreed at the January 2016 Management Meeting:

That for the calendar year 2017 (fiftieth anniversary of the Fund) serving officers who are not members of the Fund can join the Fund (paying the monthly donation) without the need to repay accrued monthly donations back to the day the officer joined the Force. There would be a 12 month moratorium on the new member from making an application for a grant.

Early indications in 2017 show that this is having some positive results with Serving Officers. The results of this campaign will be reported on in the 2017 Annual Report.

Many Fund members who attain the age of seventy years and under Fund rules, entitled to free membership, have elected to continue with their monthly donation to the Fund. Currently there are a number of retired officers who have continued with their monthly donation. 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 amounted to £2,432 a decrease of £3,818 on the previous year. Due to the closure of many police station enquiry offices, the receipts from station enquiry office

collection boxes was a mere £220 a sad reflection on the accessibility of the Force to members of the public.

During 2016 the Fund received £1,323 from In-Force fund raising, a decrease of £2,225 on 2015; this continues to be a disappointing statistic for the Fund.

Dependents

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 2016.

During 2015, the number of Fund members who died [Reported to the Fund] was 43 a decrease of 2 over the previous year. Of this number, 14 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 18 widows/partners at a cost of £107,846.40. During 2016 there were 13 widows/partners who did not apply for a grant. It should be noted that 18 further deaths were reported to the Fund, however these officers/retired officers were not members of the Fund and therefore their surviving widows[ers] and dependent children were not eligible to make a claim.

The number of dependent children has increased by 6 to 30 and of this number, 4 children had attained 16 years and remained in full-time education. Dependent children grants are now paid annually at the start of the academic year. The circumstances of each child is reviewed annually in August and if authorised by the Fund Grant Sub-Committee, the grant payment is made in October.

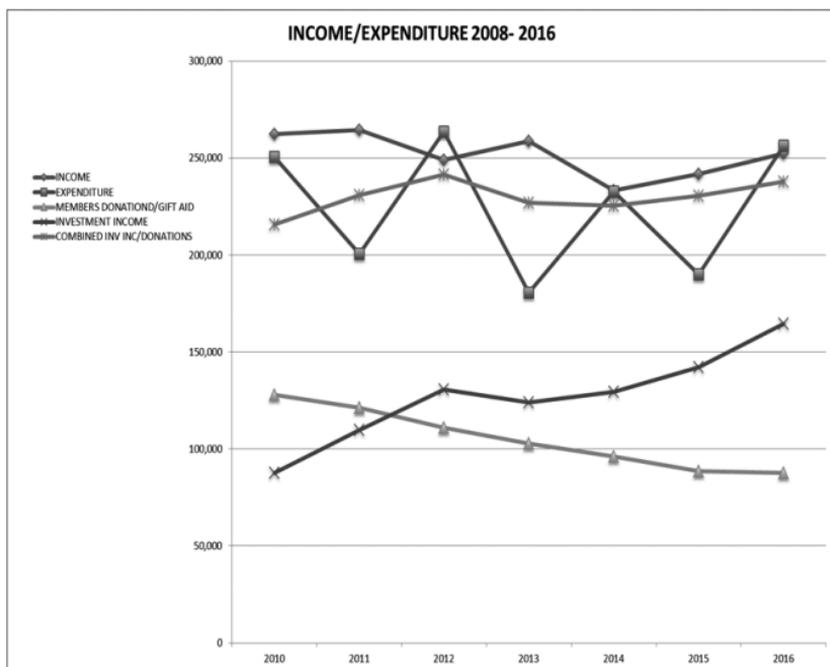
The value of this grant is reviewed annually in July by the Fund Management Committee and at the July 2016 Management Meeting it was agreed that there would not be an increase in the value of the grant and would increase to £2,000 per annum per child for the 2016-2017 academic year. An element of this grant is a Christmas

Grant but it is paid as a single payment at the start of the academic year.

A total of £63,259 has been paid in child grants for the 2016 financial year. This figure included 2 pro rata payments to children who had lost a parent towards the latter part of 2015.

Progress

During 2016, the Fund's incoming resources were £252,481 and the expenditure of the Fund during 2016 was £238,384. Therefore the Fund had a surplus of £14,094 over the year. 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.



Members and Dependants of the Fund as at 31st December 2016

	2015	2016	Decrease (-)	Increase (+)
Total Fund Members	2526	2530		+4
Serving Officers	1075	998	-77	
Pensioners	1451	1531		+80
Subscribing	748	700	-48	
Free Members	838	873		+35
Paid Lump Sum Grant	14	18		+4
Dependant Children Supported	24	30		+6
16 years and over undergoing full time education	6	4	-2	
Under 16 years	18	26		+8

Accounts

Income

Donations and Legacies

As stated in previous Annual Reports, in 2008 the fund was notified 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 was valued and where there was no possibility of housing development, the land sold together with the residential property. However, there are two parcels of land remaining each of approximately ten acres and both in the Barnstaple area. In the last 3 years, the development area of Barnstaple has been reviewed and now both parcels of land fall within this development area. The Executor of the estate has informed the Fund that both parcels of land (each being approximately 10 acres) were subject of contracts with building developers who are actively seeking planning permission for their respective pieces of land. The latest information is that the planning consents are likely to be obtained on both parcels of land. The existing developers attempted to significantly reduce the offers made for the land, so all of the Beneficiaries agreed that this was untenable. We await further updates from the Executors.

During 2016 legacies/bequests received amounted to £1,115. 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 2016 (including the police station collection boxes) amounted to £2.432.

Members' Donations

The monthly members' donation during 2016 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) were £82,722 this is a decrease of £5,692 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 £16,850 for 2016. 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 2016 Management Meeting and for a sixth year it was agreed that in view of the current economic difficulties there be no increase in the members' monthly donation for 2017.

In-Force Fund Raising

The amount received during 2016 by the Fund through In Force fund raising was £1,323. As in the previous six years there were no social events organised anywhere in the Force area for the benefit of the Fund. We are grateful to the individual contributions raised by Serving Officers, members of Staff and Special Constables who have given their Free time to give lectures and help at Carnival events, which have triggered generous donations from Community Groups. The Fund would also like to thank the Force Chaplains for raising funds at the Christmas Carol Services across the Force area.

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

All In-Force fundraisers for 2016 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.

2016 Virgin Money London Marathon

As reported in last year's Annual Report Detective Inspector Andy Berry was chosen by lottery to represent the Fund in the 2015 Virgin Money London Marathon on 26 April 2015. The Fund is only eligible to apply for a place every two years, with no guarantee of a place. In

2016, we successfully secured a place in the 2017 London Marathon. We are pleased to announce that Superintendent Ken Lamont has volunteered to run for the Fund in 2017. We wish him every success in this challenge.

Investment Income

Over the course of 2016 income from the Funds investment portfolio was £164,669 an increase of £26,238 over the previous year. The income received from the interest-bearing bank account at HSBC remains low at £34. To sum up, the total investment income for 2016 was £164,635 an impressive increase from 2015.

Expenditure

Grants

During 2016, a total of £203,252.00 was authorised in grant payments an increase of £55,319 over the previous year. This was made up of £114,000 for lump sum grants, *£48,366 for dependent children grants, £28,752 for special grants and £12,134 Emergency Special Grants.

* Includes a grant of £250 to the Gurney Fund as a donation towards pocket money for the children attending the activity holidays organised by the Fund.

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.

Other Expenditure

Administration and governance costs in 2016 amounted to £20,887 compared with £20,739 in 2015.

Police Widow: 100th Birthday

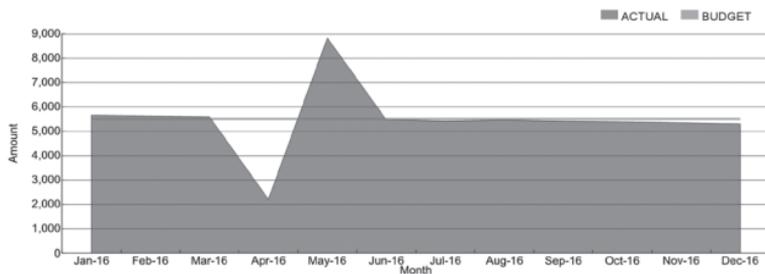
On the 29th of March 2016 Mrs Frieda Simmons widow of the Late Constable Gerald Frank Simmons, reached her 100th Birthday. The Fund arranged for a bouquet of Flowers to be sent to her.

Members Donations and Grants

Subscriptions and donations Summary

Devon & Cornwall Constabulary Compassionate Fund From 4 Jan 2016 to 31 Dec 2016

Monthly Balance



Month	Actual	Budget	Variance
January 2016	5,665	5,511	2.8%▲
February 2016	5,626	5,511	2.1%▲
March 2016	5,597	5,511	1.6%▲
April 2016	2,205	5,511	-60.0%▼
May 2016	8,833	5,511	60.3%▲
June 2016	5,469	5,511	-0.8%▼
July 2016	5,418	5,511	-1.7%▼
August 2016	5,453	5,511	-1.0%▼
September 2016	5,415	5,511	-1.7%▼
October 2016	5,389	5,511	-2.2%▼
November 2016	5,348	5,511	-3.0%▼
December 2016	5,300	5,511	-3.8%▼
Total	65,719	66,132	-0.6%▼

Administration

The overall administration costs of the Fund including the portfolio management fee and audit fee for 2016 was £49,196. This is an increase of £1,544 over the previous year (largely due to the overlap of salaries during the period of hand-over to the new Administrator) and within the estimated cost for 2016.

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 EC1A 9BD and the Funds investment managers are Mr Paul Cattermull and Mr James Hayley-Bell.

During 2016, the overall net book value of the investment portfolio has risen to £4,532,668 an unprecedented increase of £609,388. Given the turbulent market during 2016 it is surprising that the value of the investment portfolio has risen dramatically. No doubt the BREXIT events are the pivotal factor in this dramatic increase but this may be short lived, therefore the Fund must continue to improve Membership in the coming years. The income from investments for 2016 was £164,669 which is an increase of £26,238 over the previous year. This figure is within the income forecast parameters for the Fund portfolio value. The Fund produced a positive balance sheet of £14,094.

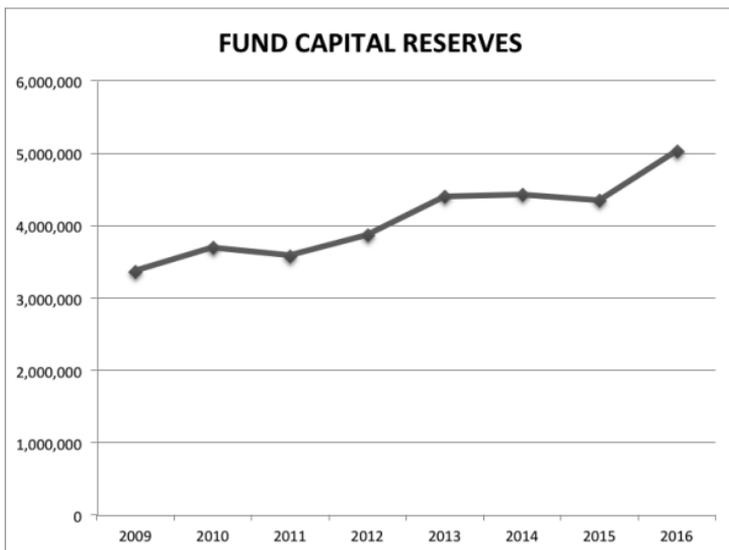
The Fund Investment Policy (as approved by the Management Committee of Trustees 06/04/2006 minute 16/06(a) refers) is as follows:

“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 2016 the Funds capital value was £5,024,006 this is an increase of £616,034.



Reserves

The ‘reserves’ of the Fund by definition as at 31st December 2016 were £5,024,006. 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

Whilst the take up of membership by new recruits continues to be disappointing there have been some new members from the new recruits to the Force over the past twelve months. The resolve to encourage new members to the Fund will not diminish and we will continue to encourage membership of this unique and worthwhile charity for sworn officers of this Constabulary and their dependants.

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. It is a Fund set up and run by police officers for the benefit of police officers and their families and a Fund of which its members can be justly proud.

The audit of the Fund was carried out in February 2017 and the auditor's report is reproduced in this document. The Fund membership can be reassured that the Fund is in a sound financial position, the management and administration of the Fund is robust and fit for purpose.

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.

Sara Westcott
Fund Administrator and Treasurer
On behalf of the Trustees

Statement of Trustees' Responsibilities

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

The law applicable to charities 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 31st July 2017 and was signed on their behalf by:

Mr N Rabbitts
Fund Chairman

Mr D James
Fund Secretary

Independent Auditors' Report to the Members of Devon and Cornwall Constabulary Widows', Orphans' and

Compassionate Fund

Opinion

We have audited the financial statements of Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund for the year ended 31 December 2016, which comprise the Statement of Financial Activities, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

Opinion on the 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 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Restriction on Distribution and Use

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 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.

Responsibilities of Management and the Trustees for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Charities SORP (FRS 102) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

The Trustees are responsible for overseeing the Charity's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

David Wortham BA FCA (Senior Statutory Auditor)
For and on behalf of Wortham Jaques Limited, Statutory Auditor
130a High Street, Crediton, Devon EX17 3LQ

**Devon and Cornwall Constabulary Widows', Orphans' and
Compassionate Fund - Statement of Financial Activities for the
Year Ended 31 December 2016**

	Note	Unrestricted funds £	Total 2016 £
Income and Endowments from:			
Donations and legacies		87,813	87,813
Investment income	3	164,668	164,668
Total Income		<u>252,481</u>	<u>252,481</u>
Expenditure on:			
Raising funds		(31,459)	(31,459)
Charitable activities		(225,038)	(225,038)
Total Expenditure		<u>(256,497)</u>	<u>(256,497)</u>
Net gains on investments		602,052	602,052
Net movement in funds		598,036	598,036
Reconciliation of funds			
Total funds brought forward		4,407,972	4,407,972
Total funds carried forward	15	<u>5,006,008</u>	<u>5,006,008</u>

	Note	Unrestricted funds £	Total 2015 £
Income and Endowments from:			
Donations and legacies		99,651	99,651
Investment income	3	138,431	138,431
Total Income		<u>238,082</u>	<u>238,082</u>
Expenditure on:			
Raising funds		(29,872)	(29,872)
Charitable activities		(165,713)	(165,713)
Total Expenditure		<u>(195,585)</u>	<u>(195,585)</u>
Net losses on investments		(59,558)	(59,558)
Net movement in funds		<u>(17,061)</u>	<u>(17,061)</u>
Reconciliation of funds			
Total funds brought forward		<u>4,425,033</u>	<u>4,425,033</u>
Total funds carried forward	14	<u>4,407,972</u>	<u>4,407,972</u>

All of the Charity's activities derive from continuing operations during the above two periods.

**Devon and Cornwall Constabulary Widows', Orphans' and
Compassionate Fund (Registration number: 256931)
Balance Sheet as at 31 December 2016**

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	10	530	-
Investments	11	4,532,669	3,923,281
		<hr/>	<hr/>
		4,533,199	3,923,281
Current assets			
Debtors	12	456,892	437,241
Cash at bank and in hand		44,324	69,335
		<hr/>	<hr/>
		501,216	506,576
Creditors: Amounts falling due within one year			
	13	(28,407)	(21,885)
Net current assets		<hr/>	<hr/>
		472,809	484,691
Net assets		<hr/>	<hr/>
		5,006,008	4,407,972
Funds of the Charity:			
Unrestricted income funds			
Unrestricted income funds		3,724,190	3,653,310
Revaluation reserve		1,281,818	754,662
		<hr/>	<hr/>
Total unrestricted funds		5,006,008	4,407,972
Total funds	14	<hr/>	<hr/>
		5,006,008	4,407,972

The financial statements, which comprise the Statement of Financial Activities, Balance Sheet and the related notes, were approved by the trustees, and authorised for issue on 31st July 2017 and signed on their behalf by:

Sergeant Nigel RABBITTS Fund Chairman

Constable David JAMES Fund Secretary

Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund - Notes to the Financial Statements for the Year Ended 31 December 2016

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Devon and Cornwall Constabulary Widows', Orphans' and Compassionate Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Exemption from preparing a cash flow statement

The Charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Investment income

Investment income is recognised on a receivable basis.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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.

Grant expenditure

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.

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.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

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:

Asset class Fixtures, fittings and equipment

Depreciation method and rate 20% straight line

Fixed asset investments

Fixed asset investments, other than programme related 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 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.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Financial instruments Classification

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price

excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2016 £	Total 2015 £
Donations and legacies;			
Donations from individuals	3,975	3,975	10,172
Legacies	1,115	1,115	1,066
Gift aid reclaimed	16,850	16,850	17,203
Regular giving and capital donations	65,873	65,873	71,210
	<hr/>	<hr/>	<hr/>
	87,813	87,813	99,651

3 Investment income

Income from dividends;	Unrestricted funds General £	Total 2016 £	Total 2015 £
Dividends receivable from other listed investments	164,635	164,635	138,359
Interest receivable and similar income;			
Interest receivable on bank deposits	33	33	72
	<hr/>	<hr/>	<hr/>
	164,668	164,668	138,431

4 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds General £	Total 2016 £	Total 2015 £
Allocated support costs	Note 6	3,150	2,860
	<hr/>	<hr/>	<hr/>

b) Investment management costs

	Unrestricted funds General Note	£	Total 2016 £	Total 2015 £
Other investment management costs; Administration of the investments		28,309	28,309	27,012
	Direct costs £	Allocated support costs £	Total 2016 £	Total 2015 £
Costs of generating donations and legacies	-	3,150	3,150	2,860
Investment management costs	28,309	-	28,309	27,013
	28,309	3,150	31,459	29,873

5 Expenditure on charitable activities

	Grant funding of activity £	Activity support costs £	Total 2016 £	Total 2015 £
Grants to widows and orphans	203,252	15,867	219,119	160,506

£219,099 (2015 - £160,506) of the above expenditure was attributable to unrestricted funds and £Nil (2015 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £2,099 (2015 - £5,207) which relate directly to charitable activities. See note 6 for further details.

6 Analysis of governance and support costs Support costs allocated to raising funds

Basis of allocation	Staff costs	Admin costs	Premises costs inc. depreciation	Total 2016	Total 2015
£	£	£	£	£	£
Costs of generating donations and legacies					
A	2,829	258	63	3,150	2,860

Support costs allocated to charitable activities

Basis of allocation	Staff costs	Admin costs	Premises costs inc. depreciation	Total 2016	Total 2015
	£	£	£	£	£
Grants to widows and orphans					
A	14,138	1,411	318	15,867	12,498
Governance	1,884	172	43	2,099	1,667
	16,022	1,583	361	17,966	14,165

Basis of allocation

Reference Method of allocation

- A 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.

Governance costs

	Unrestricted funds General	Total 2016	Total 2015
	£	£	£
Audit fees			
Audit of the financial statements	2,075	2,075	2,025
Other fees paid to auditors	1,542	1,542	1,515
Trustees remuneration and expenses	203	203	-
Allocated support costs	2,099	2,099	1,667
	<hr/>	<hr/>	<hr/>
	5,919	5,919	5,207

7 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:	2016
	£
Auditors' remuneration	3,540
Depreciation	132
	<hr/>

8 Trustees remuneration and expenses

During the year the Charity made the following transactions with trustees:

Pam Giles

£111 (2015: £Nil) of expenses were reimbursed to Pam Giles during the year as reimbursement of trustee training costs.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

9 Taxation

The Charity is a registered charity and is therefore exempt from taxation.

10 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2016	2,436	2,436
Additions	662	662
At 31 December 2016	3,098	3,098
Depreciation		
At 1 January 2016	2,436	2,436
Charge for the year	132	132
At 31 December 2016	2,568	2,568
Net book value		
At 31 December 2016	530	530
At 31 December 2015		

11. Fixed asset investments

	Listed investments £	Cash deposits	Total £
Cost or Valuation			
At 1 January 2016	3,848,306	74,975	3,923,281
Revaluation	578,085	-	578,085
Additions	547,968	722,846	1,270,813
Disposals	(505,986)	(733,525)	(1,239,510)
At 31 December 2016	4,468,373	64,296	4,532,669
Net book value			
At 31 December 2016	4,468,373	64,296	4,532,669
At 31 December 2015	3,848,306	74,975	3,923,281

12 Debtors	2016	2015
	£	£
Prepayments	45,612	29,632
Accrued income	4,090	1,457
Other debtors	407,190	406,152
	<hr/>	<hr/>
	456,892	437,241

13 Creditors: amounts falling due within one year

	2016	2015
	£	£
Accruals	28,407	21,885
	<hr/>	<hr/>

14 Funds

	Balance at 1st January 2016	Incoming resources	Resources expended	Other recognised gains/(losses)	Balance at 31st December 2016
	£	£	£	£	£
Unrestricted general funds	3,653,310	252,481	(256,497)	74,896	3,724,190
	<hr/>				<hr/>

Unrestricted funds

	Balance at 1st January 2015	Incoming resources	Resources expended	Other recognised gains/(losses)	Balance at 31st December 2015
	£	£	£	£	£
Unrestricted general funds	3,619,372	252,481	(256,497)	74,896	3,690,252
	<hr/>				<hr/>

Fund Members Memorial Roll Call 2016

The following Fund members died during 2016

January 2016

Ex-Constable Joseph David Simmons

Ex-Constable John Carthy

February 2016

Ex-Inspector Pat Doherty

Ex-Constable Arthur Tapper

Ex-Constable Jim Cowling

March 2016

Ex-Inspector David Rowe

Ex-Constable Graham Adams

Ex-Constable Johnnie Johnston

Ex-Constable Alan Knight

Ex-Constable Philip Gumm

Ex-Sergeant Gerald Pennington

April 2016

Ex-Sergeant Edward 'Ted' House

Ex-Sergeant Ted Burgess

Ex-Constable Eric Gilbert

Ex-Constable John Michael Connelly

Ex-Constable Ron Holland

May 2016

Ex-Constable David Johns

Ex-Constable Geoff Kingdon

Ex-Chief Inspector George Cowling

Ex-Constable 1247 Dennis Binding

June 2016

Ex-Inspector John Le Roux

July 2016

Ex-Constable 404 John Parkes

Constable 16646 Kimberly Ann James

Ex-Constable Rodney James Grigg

Ex-Detective Constable Don Hanson

August 2016

Ex-Constable Brian G. Bonner

Ex-Officer Peter Ward

Ex-Inspector Clifford Green

Ex-Superintendent Rex Cook

September 2016

Ex-Constable 554 Edward Martin White

Ex-Constable 307 Ray Witts

Ex-Officer John Vernon Mason

October 2016

Ex-Officer Fred Pike

Ex-Sergeant Keith Mullen

Ex-Sergeant K.W. Clarke

Ex-Officer George Woolner

Ex-Chief Inspector Herbert 'Jim' Barnes

November 2016

December 2016

Ex-Detective Inspector Ken Tuckett

Ex-Constable John Richard Underhay

Ex-Superintendent John Peter Ward Smith

Ex-Superintendent Albert Peter Wheeler

Ex-Officer David James Parsons

Ex-Officer Terry Nowlan

Income from Fund Raising, Donations and Legacies received in 2016

Sources	£	Total
Individuals and external organisations such as NARPO branches in D&C	3,975	
Legacies	1,115	
Gift Aid reclaimed	16,850	
Total		21,940

