

Registered number: 03179216
Charity number: 1186628

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

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WEST MIDLANDS POLICE BENEVOLENT FUND
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020

| | |
|--------------------------------------|---|
| Trustees | John Williams, Chairman ¹ Gillian Baker OBE ³ Derek Ridgway (appointed 25 October 2019) ^{2,3} Nicholas Simpson ³ Joseph Tildesley ² Simon Westwood ³ Richard Youds ³ |
| | ¹ West Midlands Police Officers ² Narpo ³ All trustees are members of the Operations Committee, those marked with a 3 do not have voting rights on the Operations Committee |
| Company registered number | 03179216 |
| Charity registered number | 1186628 |
| Registered office | Guardians House 2111 Coventry Road Sheldon Birmingham B26 3EA |
| Secretary and General Manager | Steve Newbury |
| Independent auditor | Cooper Parry Group Limited Chartered Accountants Statutory Auditor One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG |
| Bankers | Lloyds Bank Plc 6th Floor 33 Old Broad Street London EC2N 1HZ |
| Investment Managers | Smith & Williamson 3rd Floor 9 Colmore Row Birmingham B3 2BJ |
| Patron | Chief Constable Sir Dave Thompson QPM West Midlands Police |

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees have pleasure in presenting the Annual Report of the West Midlands Police Benevolent Fund for the year ended 31 December 2020 which is also prepared to meet the requirements of a Directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (effective January 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

a. Charitable objectives

The current rules were adopted June 2016 (including some additional amendments made since that time) which formulated and regulated the activities of the Charity and its Trustees. Copies of the rules are available on request from the Charity's manager or on the Charity's website.

The objects of the Charity are for the public benefit, for the prevention or relief of poverty, suffering, distress or financial hardship amongst its beneficiaries which include both serving and retired police officers, members of police staff of the West Midlands Police Service and in some cases dependents, in particular but not exclusively by providing financial assistance and support by way of grants or loans to those individuals in such ways that the trustees see fit from time to time and the advancement of such charitable purposes in connection with policing as the trustees see fit from time to time.

The Charity is also able to provide facilities for the relief of injury or illness through the provision of facilities for convalescence and rehabilitation.

b. Membership

Member benefits

Sickness vouchers

Both serving and retired members can apply for a £30 voucher if they have been off work for 21 days or more. They can apply for one further voucher if they have been off for over four months.

Interest Free Loans

All members can apply for interest free loans in times of hardship and need.

Grants

All members can apply for grants in times of hardship and need.

Convalescence and Rehabilitation

All members can apply to visit St Michaels Lodge in the Ribble valley, Lancashire. They can receive a five day stay with food accommodation and either physio or wellbeing treatment.

Discounted holiday breaks at our two holiday homes

All members can apply to stay our two holiday homes at greatly reduced rates.

Death in Service Grants

All serving members receive a £3,500 death in service grant.

All dependent children of members who die in service will receive £25 a week until the age of 18 years.

Protected Rate Members

All protected rate members are entitled to claim up to £600 in consultations costs per year. (This scheme is now closed for both new and existing members).

WEST MIDLANDS POLICE BENEVOLENT FUND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

c. Subscriptions

Members subscribe to the Benevolent Fund by way of deductions at source either from their West Midlands Police salary or pension directly. In some circumstances members can pay via a direct debit or standing order facility but these numbers are limited to below 100.

Trustees took the decision this year NOT to make any increases in members' subscriptions and this will be reviewed again next year.

| | |
|------------------------------|-------|
| Serving Police Officer | £2.00 |
| Serving Police Staff | £2.00 |
| Serving Protected Rate | £5.00 |
| Retired Police Officer/Staff | £1.00 |
| Retired Protected Rate | £3.75 |

Protected rate membership is now closed and is not available to new or existing members. The total number of members 7,025 and is broken down as follows:

| | |
|-------------------------|-------|
| Serving Police Officers | 3,108 |
| Retired | 3,569 |
| Police Staff | 303 |
| Ex Dependents | 45 |

d. Public Benefit Statement

The Trustees confirm that:

In the exercise of their powers as Charity Trustees, they have had due regard to the published guidance from the Charity Commission when renewing the Charity's aims and objectives and in planning future activities.

e. COVID-19 Impact statement

The COVID-19 pandemic has significantly impacted upon the Charity's investment valuation. The Trustees have monitored and reviewed the movement and are satisfied with the advice and direction given by the investment managers in respect of the diverse portfolio of investments held.

The Charity was in a good position when lockdown was implemented with regards to maintaining daily operations, having taken steps to anticipate some of the restrictions such as working from home and the technology that was required. This allowed all areas of day-to-day operations to be managed by staff from home and the office was closed. All areas of communication for members were maintained such as telephone and e-mail contact and regular updates on our website and via our e-mail delivery service.

Following a continuing review of the Government's 'furlough scheme' and in light of our continued income stream from members' subscriptions the Trustees decided against furloughing staff at any stage throughout the pandemic.

However, in light of the immediate closure of the two holiday homes applications were made to both South Hams and Dorset Councils to access the Government's Retail, Hospitality and Leisure Grants. Both applications were successful and £10,000 was received from each Council. Further grants were received during 'lockdown 2' of £1,334 for each property.

During the lockdown period there has been a continued significant drop in demand for assistance with hardship loans and grants. There are however contingency plans in place during this period to assess and allow the Operations Committee and Trustees to make decisions on any application as and when received.

WEST MIDLANDS POLICE BENEVOLENT FUND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

The Charity has plans in place for 'emergence from lockdown' and it is anticipated that there may well be a 'surge' in requests for all kinds of assistance including financial, convalescence and rehabilitation and increased demand for use of its holiday homes back to the levels experienced prior to the pandemic.

Whilst many of our planned events for the next six months have been cancelled or are in doubt the Charity will seek to ensure that it reschedules or creates new ones in their place, delivering on our promises of planned activities to help our members when they need it most.

Overall, the Charity feels it is in a strong position to maintain service and support throughout the COVID 19 period and is cautiously optimistic it can sustain and deliver services and benefits in the aftermath.

The pandemic has had a significant impact upon the Charity's ability to;

1. Develop and create funding opportunities both within the Police Family and wider public organisations by way of grants and donations:

The Charity had been selected by West Midlands Police as the recipient of monies raised from the Forces 'Diamond Awards Evening'. This event recognises bravery and excellence in policing by its staff. This Gala event was not able to take place.

The Charity had been named among a number of nominated charities for the Midlands Aberdovey Bike Ride sponsored event. Further it was also to be the recipient of funds raised at the events Gala Ball. Both events were cancelled due to the pandemic.

2. Maintain benefits to members some of which have been unavailable due to imposed restrictions of movements and distancing:

St Michaels Lodge rehabilitation and convalescence home utilised for our members when suffering injury or illness has been closed throughout virtually the whole of the pandemic and has severely impacted upon the number of members we could offer this vital service and member benefit to.

3. Interact with members other than digitally:

With our building closed to the public due to restrictions we have been unable to invite our members to visit or attend meetings that were to be held here. In particular we had planned a number of debt counselling sessions to be held but these had to be cancelled.

4. Attend all potential Force events to increase awareness and membership of the Charity:

The Charity would ordinarily attend all Force Wellbeing events, open days, road shows and individual team training events. These have been hugely restricted and in the main cancelled by the pandemic.

5. Holiday Home:

Both the Charity holiday homes in Weymouth and Dartmouth have suffered during the pandemic. They have been closed for around eight months of the year in line with restrictions. The Charity offered all members who had booked holidays a full refund or the choice of to rebook in 2021.

WEST MIDLANDS POLICE BENEVOLENT FUND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

Achievements and performance

a. Main achievements of the Charity

The Charity continues to engage more closely with its subscribing members and in particular widows and orphans who we support.

Following last year's successful launch of its 'Day to remember' the Charity had planned to expand this to two events in 2020. Unfortunately, due to COVID-19 restrictions both events had to be postponed. There are plans to run these and other events in 2021.

The Charity also joined forces with West Midlands Police Sports and Wellbeing Association and planned to hold a large children's Christmas Party event during December but again due to COVID-19 restrictions, this event had to be cancelled.

The Charity actively seeks to increase and maintain membership in as many ways as possible some examples of this year's marketing campaigns included attendance at:

New recruit induction events

Police Federation retirement seminars; West Midlands Police Wellbeing events;

West Midlands Police Family matters events;

National Association of Retired Police Officers AGM's; and Police Federation Representatives meetings.

The Charity continues to engage with West Midlands Police at all levels to ensure opportunities to meet and engage with staff are found. This is mainly done digitally and remotely at present but the Charity seeks to maximise any opportunities.

The Charity has worked extremely hard during the past 12 months to overcome the issues that the pandemic has caused in accessing new recruits to the West Midlands Police. Face-to-face inputs have been difficult or suspended. The Charity has worked with the Force and the police Federation to create online inputs to new recruits which has been hugely successful. The Charity has been able to sign up over 300 new recruits to become members. This has helped in seeing a 14.2% increase in serving officer numbers. Work is underway to target as effectively as possible the projected 1,000 new recruits expected in 2021. The Charity has seen good success too with its attempts at retention of officers when they retire. Attendance at retirement seminars has been very successful and will continue.

Distribution of Funds

All members can apply for interest free loans and grants in times of hardship and need. Members are required to submit a detailed application of their finances and situation to the Charity's general manager. Following further consultation and investigation the application is presented before the Operations Committee who deliberate, vote and decide on the type of assistance if any given. This decision is further considered and ratified in the following Trustees' meeting before the application is finally authorised. The Committee can decide upon the type of assistance and the length and monthly repayments in the case of a loan.

These are the breakdowns of how member benefits were distributed this year:

| | |
|------------------------|---------|
| Sickness Vouchers | £3,930 |
| Loans | £19,383 |
| Grants | £15,994 |
| Rehabilitation | £3,912 |
| Death grants | - |
| Dependents | £23,050 |
| Private consultations | £2,416 |
| Flint House expenses * | £480 |

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

* There was previously an allowance of £60 granted to members who attended The Police Rehabilitation Centre, Flint House for travel expenses. The Trustees have since withdrawn this grant as of 28 February 2020 as was not deemed fair to all members as not all members also subscribed to the rehabilitation centre.

Here are some of the Grants given by the Charity this year from applications received.

1. £1,995 granted to a serving member whose child suffers from severe autism and needed a specially adapted pushchair/buggy to ensure their safety.
2. £250 granted to a serving police staff member who was in financial difficulty and needed support to purchase school uniforms for their children.
3. £1,395 granted to retired member for a mobility scooter to assist access following worsening medical condition and illness.
4. £150 emergency grant to serving officer in financial hardship to assist with costs for electrician for home emergency call out.
5. £659 to a serving officer in financial difficulty to assist with cost of vehicle repairs and MOT to enable them to travel to work.
6. £1,970 granted to retired officer for a stairlift to enable access to upstairs bathroom following continued and worsening medical condition.

Examples of interest free loans provided to members this year.

1. £10,000 loaned to serving officer in financial difficulty following separation/divorce to assist with solicitors' fees and costs of moving out of family home due to divorce.
2. £680 loaned to a retired officer to assist with move in to rented accommodation following home sale due to divorce.
3. £5,000 loaned to a serving officer to assist with debt issues and assistance with costs of moving into a new home.

The Charity made two special grants in 2020.

1. £6,950 was granted to the Police Arboretum Memorial Trust for the ongoing construction of a memorial to fallen officers. The Trustees decided that it would donate £1 per member as recorded at that time.
2. The Trustees followed through from a previous commitment to support the Police Heritage Museum located at Steelhouse Lane Birmingham and granted £3,500. The Charity and the museum have agreed the money will assist specifically and be associated with, the Role of Honour for fallen officers of the West Midlands. Arrangements are in place for the Charity to have a small area dedicated to its work there for visitors to pick up literature and ways to support the Charity.

Impact assessment

The Charity will be continuing working towards and developing an impact assessment model to assist the Trustees in analysing the effectiveness of its grant making and the development of a grant making strategy.

Office equipment - we have invested in new laptops to assist members of staff to work from home (WFH) during the pandemic. Providing a high level of secure remote working.

Developments are continuing with the Charity's new website. This will allow the site to be much more user friendly and accessible. It will further enable charity staff to have more control and access to manage the site reducing costs to our website hosts for updates and changes.

The Charity continues to play an active role following its acceptance to 'Police Charities UK' group of charities gaining greater exposure and listing amongst other Police related charity providers nationally. This will also allow us opportunities to share and utilise best practices and ideas within our sector.

WEST MIDLANDS POLICE BENEVOLENT FUND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees have considered the guidance published by the Charity Commission in respect to reserves and feel it prudent to maintain a level of reserves both to support the ongoing activities of the charitable company and to establish a buffer against any decrease in income. The Trustees have therefore set a policy that the reserves target should be six months' operating expenses which is approximately £130,000.

As at 31 December 2020, the free reserves of the Charity (that is those general unrestricted reserves not invested in fixed assets or represented by investments) were £234,974 (note 14).

c. Financial review

Total income for the year amounted to £238,469 (2019: £248,980). The Charity incurred expenditure amounting to £238,190 (2019: £321,463) resulting in a deficit before investment gains of £279 (2019: deficit of £72,483). Investment gains for the year amounted to £28,420 (2018: £161,343) resulting in total net movement in funds of £28,699 (2019: £88,860).

The charity's listed investment portfolio was valued at £1,493,462 (2019: £1,440,222).

d. Risk Management

The Trustees keep under review the major strategic and operational risks which the Charity faces.

They believe that all necessary steps have been taken and systems are in place and established to minimise any such risks as might exist.

The Trustees consider the main risk to the Charity arises from its maintenance and retention of its existing membership. They instruct their staff to focus, deliver and establish continual innovative ways to achieve this which are continually assessed and developed at Operational and Trustee meetings.

The Trustees have agreed risk profiles with our investment managers.

The Trustees recognise the importance of its financial investments and continually review and seek guidance and updates from our financial investment team within Smith and Williamson. The Trustees have a clear risk level policy which is reviewed on an annual basis unless need arises for earlier intervention.

In the current year under review the Charity continued to hold a diverse portfolio to best represent its needs.

WEST MIDLANDS POLICE BENEVOLENT FUND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

a. Constitution

The West Midlands Police Benevolent Fund until July 2019 had been known as WMP Benevolent Fund and was a private company limited by guarantee. Following its AGM on 12 July 2019, the company adopted new 'Articles of Association' by way of a special resolution and voted to change its name to West Midlands Police Benevolent Fund. The decision was taken to apply for charity status.

On 28 November 2019 the Benevolent Fund successfully achieved charity status and was given the registration number 1186628.

All Trustees are members of the Operations Committee and are elected in accordance with the rules.

All payments made by the Charity must be authorised by the Committee and further approved by the Trustees. Arrangements are in place to deal with emergency situations outside of Trustee meetings.

Periodic meetings take place which comprise of monthly Operations meetings followed by Trustee meetings, Annual General Meeting and an annual Budget meeting in accordance with the rules.

During the pandemic regular Zoom meetings have taken place replacing the physical face-face meetings. This has worked well and will continue.

The Trustees recognise the need for ongoing reflection and inclusion within its board to ensure that all areas of the police family are represented within its Operations Committee and Trustee board. Amendments have been made to the Charity's rules to ensure a more diverse and representative makeup of both is ensured and to that end Invitations will be made to West Midlands Police LGBT+ Association, the Disabled Police Association, the Unite and Unison unions/staff associations to provide representatives on our boards. The Operations Committee has already recently welcomed its first representative from the Black and Asian Police Association.

In light of the pandemic difficulties experienced and new ways of working the Charity will shortly be contacting all members informing them that future communications will be made by e mail and electronic means unless they inform us of their preference for postal contact to remain.

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Grant or Loan making policy

The Committees have no specific policies in relation to grants or loans. Each individual application is treated on its own merits in relation to hardship and need.

Applications are submitted to the general manager who investigates and meets applicants usually face to face to establish certain facts and details. The general manager will then present these applications without disclosure of applicants details to the Operations Committee who then question the general manager on his findings and scrutinise the application with discussions, between them. A vote on approval is then made by the committee. This decision is later ratified by a Trustees board meeting who have the final approval decision.

WEST MIDLANDS POLICE BENEVOLENT FUND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

New and existing Trustees have undergone appropriate training to assist them in fulfilling their role which will include understanding their legal obligations under charity and company law, Charity Commission guidance on public benefit, the Operations Committee and decision-making process, the Charity's business plan and any key recent financial performance of the Charity. This training was delivered by a qualified and suitable company, Higgs and Sons Solicitors via their Charity arm. Refresher training will be delivered on an annual basis to maintain full levels of understanding and governance.

e. Pay policy for key management personnel

In 2015 following a readjustment of accountabilities and organisational structure, West Midlands Police Benevolent Fund commissioned West Midlands Police Corporate HR to provide pay and grading advice for roles within the West Midlands Police Benevolent Fund aligned to that of their structure in remuneration of civilian Police staff. Following this evaluation, recommendations from that report were adopted and the West Midlands Police Benevolent Fund continues to align itself with those pay scales and structures.

The Trustees consider its key management personnel comprise the management team.

Plans for future periods

We value and have the upmost regard for the health and safety of our staff both physically and mentally. Plans are underway for staff training in dealing with calls from members suffering illness and difficulties relating to bereavement and mental health. Costings have been received and this training is to take place in the next six to twelve months following discussion with the potential providers the Samaritans. This has been deferred from last year due to the pandemic and the difficulties in delivering face to face training.

The Charity will continue with its 'family fun day' event reaching out to bereaved and orphaned members families. The Charity is hoping government guidelines will allow two further events which will now take place in May and August 2021.

The Charity is always looking for areas to expand the support to our members and their families and with our new charity status it is even more relevant. The Charity is reaching out with that new status to find partners, organisations and bodies we can work with to offer more. We have again agreed this year with the West Midlands Police Wellbeing Association to collaborate on a large Children's Christmas party open to both our memberships. A date has been fixed and arrangements are well under way.

We hope to continue our arrangement's with Alton Towers and their charity arm 'Merlin's Magic Wand' to provide complimentary tickets to our members and families most in need.

WEST MIDLANDS POLICE BENEVOLENT FUND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, Cooper Parry Group Limited, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 7 April 2021 and signed on their behalf by:

John Williams
Chairman



WEST MIDLANDS POLICE BENEVOLENT FUND
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST MIDLANDS POLICE BENEVOLENT FUND

Opinion

We have audited the financial statements of West Midlands Police Benevolent Fund (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

WEST MIDLANDS POLICE BENEVOLENT FUND
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST MIDLANDS POLICE BENEVOLENT FUND (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

WEST MIDLANDS POLICE BENEVOLENT FUND
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST MIDLANDS POLICE BENEVOLENT FUND (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine 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, the Trustees are responsible for assessing the charitable company'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 the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the Charitable Company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Charitable Company and how the Charitable Company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charitable Company's control environment and how the Charitable Company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charitable Company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

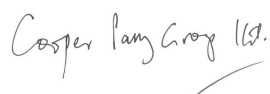
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEST MIDLANDS POLICE BENEVOLENT FUND (CONTINUED)

reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins (FCA) (Senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

One Central Boulevard

Blythe Valley Business Park

Solihull

West Midlands

B90 8BG

Date: 21 April 2021

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Note | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|------------------------------------|------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | |
| Donations and legacies | 3 | 25,497 | 25,497 | 27,046 |
| Charitable activities | 2 | 170,090 | 170,090 | 176,212 |
| Other income | | 12,000 | 12,000 | 12,000 |
| Investments | 4 | 30,882 | 30,882 | 33,722 |
| Total income | | 238,469 | 238,469 | 248,980 |
| Expenditure on: | | | | |
| Raising funds | 5 | 7,651 | 7,651 | 6,898 |
| Charitable activities | 6 | 230,539 | 230,539 | 314,565 |
| Total expenditure | | 238,190 | 238,190 | 321,463 |
| Net gains on investments | 11 | 28,420 | 28,420 | 161,343 |
| Net movement in funds | | 28,699 | 28,699 | 88,860 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 2,404,536 | 2,404,536 | 2,315,676 |
| Net movement in funds | | 28,699 | 28,699 | 88,860 |
| Total funds carried forward | 14 | 2,433,235 | 2,433,235 | 2,404,536 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 30 form part of these financial statements.

WEST MIDLANDS POLICE BENEVOLENT FUND

(A company limited by guarantee)

REGISTERED NUMBER: 03179216

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

| | Note | | 2020 £ | 2019 £ |
|---|------|-----------|-----------|-----------|
| Fixed assets | | | | |
| Tangible assets | 10 | | 701,799 | 717,689 |
| Investments | 11 | | 1,496,462 | 1,443,222 |
| | | | 2,198,261 | 2,160,911 |
| Current assets | | | | |
| Debtors | 12 | 53,655 | 54,227 | |
| Cash at bank and in hand | | 197,727 | 213,883 | |
| | | 251,382 | 268,110 | |
| Creditors: amounts falling due within one year | 13 | (16,408) | (24,485) | |
| | | | 234,974 | 243,625 |
| Net current assets | | | 234,974 | 243,625 |
| Total assets less current liabilities | | | 2,433,235 | 2,404,536 |
| Total net assets | | | 2,433,235 | 2,404,536 |
| Charity funds | | | | |
| Restricted funds | 14 | | - | - |
| Unrestricted funds | | | | |
| Designated funds | 14 | 2,198,261 | 2,160,911 | |
| General funds | 14 | 234,974 | 243,625 | |
| | | 2,433,235 | 2,404,536 | |
| Total funds | | | 2,433,235 | 2,404,536 |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 07 April 2021 and signed on their behalf by:

John Williams
Chairman



Richard Youds
Trustee



The notes on pages 17 to 30 form part of these financial statements.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Accounting Convention

West Midlands Police Benevolent Fund is a registered company limited by guarantee with registered charitable status, in the United Kingdom. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to prevent or relieve poverty, suffering, distress or financial hardship amongst the beneficiaries by providing financial assistance and support as well as letting holiday properties to the beneficiaries.

The Charity constitutes a public benefit entity as defined by FRS 102. 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 from 1 January 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Legacies are included in the statement of financial activities when the charity is advised by the personal representatives of an estate that payment will be made or property transferred and the amount involved can be quantified.

Government grants are included in the statement of financial activities when the charity is notified of the award.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them; and
- Governance costs including those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

1.5 Support costs allocation

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity.

The analysis of these costs is included in note 6.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property - Over 50 years on a straight-line basis
Plant and machinery - Over 4 years on a straight-line basis
Fixture and fittings - Over 3 years on a straight-line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

1.7 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment market due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sector.

Unquoted investments are valued at management's best estimate of fair value and comprise medals.

1.8 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

1.9 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.12 Employee benefits

The Charity operates a defined pension plan for its employees. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid, the Charity has no further obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Charity in independently administered funds.

1.13 Tax

The Charity is recognised charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.14 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves and a significant net current asset position of £234,974 for the Charity to be able to continue as a going concern.

1.15 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.16 Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where these judgments and estimates have been made include:

Depreciation and residual value:

The Trustees have reviewed the asset lives and associated residual values of all tangible fixed assets classes, and have concluded that asset lives and residual values are appropriate.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Income from charitable activities

| | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|--|--|---------------------------------------|---------------------------------------|
| Serving officers, pensioners subscriptions and support | 142,630 | 142,630 | 142,998 |
| Property income | 27,460 | 27,460 | 33,214 |
| Total 2020 | <u>170,090</u> | <u>170,090</u> | <u>176,212</u> |
| Total 2019 | <u>176,212</u> | <u>176,212</u> | |

Income from charitable activities for both years related to unrestricted funds.

3. Income from donations and legacies

| | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|-------------------|--|---------------------------------------|---------------------------------------|
| Donations | 2,829 | 2,829 | 6,807 |
| Legacies | - | - | 20,239 |
| Grants | 22,668 | 22,668 | - |
| | <u>25,497</u> | <u>25,497</u> | <u>27,046</u> |
| Total 2019 | <u>27,046</u> | <u>27,046</u> | |

Income from donations for both years related to unrestricted funds.

Included within grants is £20,000 received under the of Retail, Hospitality and Leisure Grant (RHLGF) and £2,668 received under the Local Restriction Support Grant Fund.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Investment income

| | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|-------------------|--|---------------------------------------|---------------------------------------|
| Dividends | 29,082 | 29,082 | 31,294 |
| Bank interest | 1,800 | 1,800 | 2,428 |
| | <u>30,882</u> | <u>30,882</u> | <u>33,722</u> |
| Total 2019 | <u>33,722</u> | <u>33,722</u> | |

Income from investments for both years related to unrestricted funds.

5. Expenditure on raising funds

| | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|----------------------------|--|---------------------------------------|---------------------------------------|
| Investment management fees | 7,651 | 7,651 | 6,898 |
| | <u>6,898</u> | <u>6,898</u> | |
| Total 2019 | <u>6,898</u> | <u>6,898</u> | |

Expenditure on raising funds for both years related to unrestricted funds.

6. Analysis of expenditure by activities

| | Activities undertaken directly 2020 £ | Support costs 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|-------------------|--|---|---------------------------------------|---------------------------------------|
| Grant making | 63,849 | 103,410 | 167,259 | 209,957 |
| Lettings | 27,297 | 9,229 | 36,526 | 66,660 |
| Governance | - | 26,754 | 26,754 | 37,948 |
| | <u>91,146</u> | <u>139,393</u> | <u>230,539</u> | <u>314,565</u> |
| Total 2019 | <u>169,398</u> | <u>145,167</u> | <u>314,565</u> | |

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Grant Making 2020 £ | Lettings 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---------------------------------|--|--------------------------------|---------------------------------------|---------------------------------------|
| Staff costs | - | - | - | 4,288 |
| Gifts and consultations | 6,730 | - | 6,730 | 7,593 |
| Gifts and other convalescence | 3,378 | - | 3,378 | 15,555 |
| Orphans and other contributions | 23,950 | - | 23,950 | 21,566 |
| Grants paid | 14,744 | - | 14,744 | 36,650 |
| Repairs and maintenance | 15,047 | - | 15,047 | 21,374 |
| Depreciation on property | - | 10,989 | 10,989 | 22,394 |
| Property expenses | - | 16,308 | 16,308 | 39,978 |
| Total 2020 | 63,849 | 27,297 | 91,146 | 169,398 |
| Total 2019 | 102,738 | 66,660 | 169,398 | |

Analysis of support costs

| | Grant Making 2020 £ | Lettings 2020 £ | Governance 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|--|--------------------------------|----------------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 68,988 | 7,416 | - | 76,404 | 72,782 |
| Hotels, travel and subsistence | 27 | - | - | 27 | 515 |
| Printing and stationery | 4,537 | - | - | 4,537 | 4,807 |
| Telephone and fax | 2,402 | 691 | - | 3,093 | 2,558 |
| Advertising and promotion | 13,991 | 1,122 | - | 15,113 | 10,176 |
| Bank charges | 393 | - | - | 393 | 217 |
| Sundry expenses | 227 | - | - | 227 | 1,422 |
| Insurance | 1,072 | - | - | 1,072 | 1,135 |
| Depreciation | 7,615 | - | - | 7,615 | 5,959 |
| Equipment | 865 | - | - | 865 | 2,297 |
| Corporation tax - prior year underprovision | 3,293 | - | - | 3,293 | 5,351 |
| Auditor's remuneration | - | - | 12,450 | 12,450 | 10,500 |
| Legal and professional | - | - | 14,304 | 14,304 | 27,448 |
| Total 2020 | 103,410 | 9,229 | 26,754 | 139,393 | 145,167 |
| Total 2019 | 107,219 | - | 37,948 | 145,167 | |

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

Expenditure on charitable activities for both years related to unrestricted funds.

7. Net incoming resources

Net incoming resources are stated after charging:

| | 2020 | 2019 |
|---|-------------|-------------|
| | £ | £ |
| Depreciation of fixed assets | 18,604 | 28,353 |
| Auditor's remuneration - audit | 9,000 | 9,000 |
| Auditor's remuneration - non audit services | 1,950 | 1,500 |
| Defined contribution pension cost | 6,797 | 6,825 |
| | 18,351 | 45,678 |

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

9. Staff costs

| | 2020 | 2019 |
|-----------------------|-------------|-------------|
| | £ | £ |
| Wages and salaries | 68,356 | 68,889 |
| Social security costs | 1,251 | 1,357 |
| Pension costs | 6,797 | 6,825 |
| | 76,404 | 77,071 |

The average number of persons employed by the charity during the year was as follows:

| | 2020 | 2019 |
|--------------------------------------|-------------|-------------|
| | No. | No. |
| Management and administration | 4 | 4 |

No employee received remuneration amounting to more than £60,000 in either year.

The trustees consider its key management personnel comprise the management team. The total employment benefits including employer pension contributions of the key management personnel were £43,385 (2019: £45,940).

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. Tangible fixed assets

| | Freehold property £ | Plant and machinery £ | Fixtures and fittings £ | Total £ |
|----------------------------|---------------------------|-----------------------------|-------------------------------|----------------|
| Cost or valuation | | | | |
| At 1 January 2020 | 888,202 | 30,658 | - | 918,860 |
| Additions | - | - | 2,714 | 2,714 |
| At 31 December 2020 | <u>888,202</u> | <u>30,658</u> | <u>2,714</u> | <u>921,574</u> |
| Depreciation | | | | |
| At 1 January 2020 | 171,993 | 29,178 | - | 201,171 |
| Charge for the year | 16,672 | 1,480 | 452 | 18,604 |
| At 31 December 2020 | <u>188,665</u> | <u>30,658</u> | <u>452</u> | <u>219,775</u> |
| Net book value | | | | |
| At 31 December 2020 | <u>699,537</u> | <u>-</u> | <u>2,262</u> | <u>701,799</u> |
| At 31 December 2019 | <u>716,209</u> | <u>1,480</u> | <u>-</u> | <u>717,689</u> |

11. Fixed asset investments

| | Listed investments £ | Unquoted investments £ | Total £ |
|--|----------------------------|------------------------------|------------------|
| Cost or valuation | | | |
| At 1 January 2020 | 1,440,222 | 3,000 | 1,443,222 |
| Additions | 264,491 | - | 264,491 |
| Disposals | (193,493) | - | (193,493) |
| Revaluations | 28,420 | - | 28,420 |
| Movement in income and capital account | (46,178) | - | (46,178) |
| At 31 December 2020 | <u>1,493,462</u> | <u>3,000</u> | <u>1,496,462</u> |
| Net book value | | | |
| At 31 December 2020 | <u>1,493,462</u> | <u>3,000</u> | <u>1,496,462</u> |
| At 31 December 2019 | <u>1,440,222</u> | <u>3,000</u> | <u>1,443,222</u> |

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Fixed asset investments (continued)

Cash held by the investment manager awaiting reinvestment amounted to £55,357 (2019: £101,554).

The historical cost of investment was £1,136,839 (2019: £1,174,398).

12. Debtors

| | 2020 | 2019 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Due after more than one year | | |
| Loans to members | 35,190 | 31,395 |
| | 35,190 | 31,395 |
| Due within one year | | |
| Loans to members | 10,836 | 10,843 |
| Other debtors | 281 | 814 |
| Prepayments and accrued income | 7,348 | 11,175 |
| | 53,655 | 54,227 |

13. Creditors: Amounts falling due within one year

| | 2020 | 2019 |
|-----------------|-------------|-------------|
| | £ | £ |
| Corporation tax | - | 1,200 |
| Other creditors | 16,408 | 23,285 |
| | 16,408 | 24,485 |

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 December 2020 £ |
|---------------------------------|--------------------------------------|-----------------------|-------------------------|--------------------------|-------------------------|---|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Investment Revaluation Fund | 268,823 | - | - | 62,380 | 28,420 | 359,623 |
| Investment Historical Cost | 1,174,399 | - | - | (37,560) | - | 1,136,839 |
| Tangible Fixed Asset Fund | 717,689 | - | - | (15,890) | - | 701,799 |
| | <u>2,160,911</u> | <u>-</u> | <u>-</u> | <u>8,930</u> | <u>28,420</u> | <u>2,198,261</u> |
| General funds | <u>243,625</u> | <u>238,469</u> | <u>(238,190)</u> | <u>(8,930)</u> | <u>-</u> | <u>234,974</u> |
| Total Unrestricted funds | <u><u>2,404,536</u></u> | <u><u>238,469</u></u> | <u><u>(238,190)</u></u> | <u><u>-</u></u> | <u><u>28,420</u></u> | <u><u>2,433,235</u></u> |

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 January 2019 £ | As restated Income £ | As restated Expenditure £ | As restated Transfers in/out £ | As restated Gains/ (Losses) £ | Balance at 31 December 2019 £ |
|---------------------------------|--------------------------------------|----------------------------|---------------------------------|---|--|---|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Investment revaluation fund | 103,018 | - | - | 4,462 | 161,343 | 268,823 |
| Investment historical cost - | 855,753 | - | - | 318,646 | - | 1,174,399 |
| Tangible fixed asset fund | 521,909 | - | - | 195,780 | - | 717,689 |
| | <u>1,480,680</u> | <u>-</u> | <u>-</u> | <u>518,888</u> | <u>161,343</u> | <u>2,160,911</u> |
| General funds | <u>834,996</u> | <u>248,980</u> | <u>(321,463)</u> | <u>(518,888)</u> | <u>-</u> | <u>243,625</u> |
| Total Unrestricted funds | <u>2,315,676</u> | <u>248,980</u> | <u>(321,463)</u> | <u>-</u> | <u>161,343</u> | <u>2,404,536</u> |

Investment revaluation fund – this represents the revaluation element of investments which fluctuate on a day to day basis. The Trustees believe that it is inappropriate to consider that the unrealised surplus is available for the ongoing work of the Charity.

Investment historical cost – this represents the book cost of investments which the Trustees maintain for long term investment and income generation. The income is used to support the charitable objectives.

Tangible fixed asset fund – this fund will fund the future depreciation of fixed assets.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|--------------------------------------|--|---------------------------------------|
| Tangible fixed assets | 701,799 | 701,799 |
| Fixed asset investments | 1,496,462 | 1,496,462 |
| Debtors due after more than one year | 35,190 | 35,190 |
| Current assets | 216,192 | 216,192 |
| Creditors due within one year | (16,408) | (16,408) |
| Total | 2,433,235 | 2,433,235 |

Analysis of net assets between funds - prior period

| | Unrestricted funds 2019 £ | Total funds 2019 £ |
|--------------------------------------|--|---------------------------------------|
| Tangible fixed assets | 717,689 | 717,689 |
| Fixed asset investments | 1,443,222 | 1,443,222 |
| Debtors due after more than one year | 31,395 | 31,395 |
| Current assets | 236,716 | 236,716 |
| Creditors due within one year | (24,485) | (24,485) |
| Total | 2,404,537 | 2,404,537 |

16. Pensions and other post-retirement benefits

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £6,797 (2019: £6,825).

17. Related party transactions

During the year there were no related party transactions.

WEST MIDLANDS POLICE BENEVOLENT FUND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. Financial instruments

| | 2020 | 2019 |
|---|-------------|-------------|
| | £ | £ |
| Financial assets | | |
| Measured at fair value through net income/expenditure | | |
| Fixed asset listed investments (note 11) | 1,493,462 | 1,440,221 |
| Debt instruments measured at amortised cost | | |
| Loans to members (note 12) | 46,026 | 42,238 |
| Other debtors (note 12) | 7,629 | 814 |
| | 53,655 | 43,052 |
| Equity instruments measured at amortised cost | | |
| Fixed asset unlisted investments (note 11) | 3,000 | 3,000 |
| | 1,550,117 | 1,486,273 |
| | 2020 | 2019 |
| | £ | £ |
| Financial liabilities | | |
| Measured at amortised cost | | |
| - Other creditors (note 13) | 14,908 | 23,285 |
| | 14,908 | 23,285 |