

**The Gurney Fund for Police Orphans Registered Charity Number : 261319**  
**The Gurney Benevolent Fund Registered Charity Number : 261319-1**

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**TRUSTEES' REPORT AND AUDITED GROUP FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2012**

## **THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

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Annual General Meeting to be held at the Premier Inn, Crossbush Lane, Arundel, West Sussex BN18 9PQ on Thursday, 1 November 2012 at 2.00pm

### **AGENDA**

- 1 Apologies for absence
- 2 To approve the Minutes of the last meeting, held at the Premier Inn, Arundel on Thursday, 3 November 2011, which have been circulated
- 3 To receive a report from the Chairman on behalf of the Trustees
- 4 To receive a report on the accounts and investments:
  - (a) T Spelman, Treasurer
  - (b) S Webber BA (Hons) ACA, Auditor
  - (c) R C Corfield, Stockbroker
- 5 To receive a report from Mr J Chadwick, solicitor
- 6 To appoint a Chairman:

Office held for nine years by P Upham, who is seeking re-election
- 7 To appoint a Treasurer:

Office held for eighteen years by T Spelman, who is seeking re-election
- 8 Any other business

## THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

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## THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

### LEGAL AND ADMINISTRATIVE DETAILS

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The Gurney Fund for Police Orphans and the Gurney Benevolent Fund are administered by:

<b>Chairman</b>	P Upham
<b>Treasurer</b>	T Spelman
<b>Managing Trustees</b>	J Apter T Crux (retired February 2012) S Davenport (retired February 2012) I Davies J Earle P Jones P Land A Marsh (appointed February 2012) R Reed (appointed February 2012) D Richards (appointed February 2012) M Richards QPM G Riley N Wilkinson (retired February 2012)
<b>Director</b>	Miss C McNicol
<b>Principal Office</b>	9 Bath Road Worthing West Sussex BN11 3NU Tel: 01903 237256 Web Site: <a href="http://www.gurneyfund.org">www.gurneyfund.org</a>
<b>Bankers</b>	Lloyds TSB Bank Plc 41-43 South Street Worthing West Sussex BN11 3AU
<b>Chartered Accountants and Statutory Auditor</b>	Spofforths LLP 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
<b>Legal Advisers</b>	Thomas Eggar The Corn Exchange Baffins Lane Chichester West Sussex PO19 1GE
<b>Stockbrokers</b>	Charles Stanley & Company Limited Heathervale House 2 - 4 Vale Avenue Tunbridge Wells Kent TN1 1DJ

## **THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2012**

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#### **ESTABLISHMENT OF THE FUND**

The Gurney Fund for Police Orphans was established in 1948 following the closure of the Southern Provincial School and Orphanage, originally founded in Hove, Sussex by Miss Catherine Gurney OBE, in 1890.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Management Committee is comprised of two ex-officio officers and ten serving police officers who are responsible for the administration of the Gurney Fund for Police Orphans and the Gurney Benevolent Fund; both Funds being registered charities. The ex-officio Trustees are the Chairman and Treasurer who are elected at a General Meeting. The nominative Trustees comprise two members from the Association of Chief Police Officers, appointed by the Chief Police Officers' Staff Association (CPOSA); two persons holding the Superintending rank, appointed from among the subscribing police forces by the Superintendents' Association and six people nominated from among the subscribing forces by the Police Federation, two from the Inspecting ranks, two holding the rank of Sergeant and two holding the rank of Constable. The Management Committee meet four times a year at which five members constitute a quorum. Any matters at a Management or General Meeting shall be determined by the majority of the votes of the members.

#### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The object of the Fund is the care and education of children of deceased or incapacitated police officers from the subscribing forces in England and Wales.

Beneficiaries include children of deceased or incapacitated police officers who were members of one of the twenty-two subscribing Forces. Police pensioners are regarded as "members" where children of a marriage before retirement are concerned. The Gurney Benevolent Fund helps support the children born of a marriage after retirement. The benefits of children of a parent who remarries cease automatically pending completion of an application form for consideration by the Trustees. Any awards made, albeit of a reduced amount, are backdated to the date of the remarriage.

To date, more than 3,242 children have received assistance. This figure does not include children who have benefited from the Gurney Benevolent Fund.

The Trustees carry out the Fund's objectives by:

- making weekly allowances, paid quarterly;
- awarding additional grants to assist with educational costs: the purchase of school uniform, sports kit, school activities, music tuition and instruments;
- awarding Christmas gifts to all beneficiaries in receipt of weekly allowances;
- arranging holidays for beneficiaries.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

Due to the problems arising in establishing and monitoring need, in August 2004, the Management Committee agreed to amend their Guidelines: for both incapacitated officers and widows/widowers allowances will cease at 31 March of the year following permanent relocation outside the British Isles.

It is an established fact that an allowance from the Fund is a matter of bounty and not of right. All benefits are paid according to need and at the sole discretion of the Managing Trustees.

## **THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2012**

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#### **THE GURNEY FUND FOR POLICE ORPHANS**

##### **FINANCIAL REVIEW**

Contributions are derived from regular police subscriptions; donations from the police and members of the public; sale of police property under the Police Property Act 1987; police collecting boxes; Gift Aid donations and legacies. Further revenue is raised from the investment dividends and interest on the investment account at the bank.

Members of the following Forces contribute via the Give as You Earn scheme: Dorset, Dyfed Powys, Essex, Gloucestershire, Leicestershire, Northamptonshire, South Wales, Suffolk and Thames Valley.

A total of 187 beneficiaries were on the register at 31 March 2012 receiving allowances varying from £10 to £100 per week. The basic weekly allowance paid to widows/widowers is £25; according to need. Of the six remarried mothers, eight dependant children were in receipt of allowances ranging from £10 to £50 per week.

During the year to 31 March 2012, 28 children were added to the register and eight reinstated.

There were 18 incapacitated officers, supporting 31 children, each receiving a weekly grant varying from £15 to £100.

In cases of retirement on ill-health grounds it is vital that regular monitoring is carried out to ensure that the Fund is not paying benefits to a parent who has embarked on any form of employment since leaving the Police Service. The parent should be in receipt of Incapacity Benefit, Employment Support Allowance or in possession of a Force Medical Officer's Certificate of Permanent Disability; Doctor's Medical Certificates and be able to confirm that he/she is totally incapacitated from doing any work and is in receipt of National Insurance Credits. All retired incapacitated officers on the Fund are asked to supply documentation confirming this information at each Gurney Fund Annual Review and also to advise the Fund of the outcome of any regular Force Medical Officer or Department for Work and Pensions Reviews.

The Trustees awarded grants for educational trips, books, music lessons and instruments, school uniform and equipment, ranging from £26 to £2,610 to 76 beneficiaries. The Annual Review identified 10 beneficiaries where monetary need could no longer be established; the allowances for 12 beneficiaries were increased and six had their allowances reduced from 1 April 2012.

Where allowances from the Fund cease, because monetary need can no longer be established, links with the families are maintained until the children complete their education. At 31 March 2012 contact was being maintained with 62 children. Families on the Contact Register are reminded each year that they can apply for reinstatement of assistance from the Fund if their circumstances change.

The Fund does not pay allowances to beneficiaries who go on to higher education it may, however, consider providing a contribution to assist with annual tuition fees and/or a grant towards the cost of books and ancillary equipment. Grants totalling £51,050 for fees and just over £13,819 for books, computers, stationery and subscriptions were awarded to 49 beneficiaries this year.

We are pleased to report that governance and administration charges have been kept to a minimum of approximately 9% of income.

##### **RESERVES POLICY**

The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections.

The Trustees regularly review the level of reserves to ensure they are appropriate, taking into account projections of:

- a) the number of subscribing officers
- b) the number of claimants
- c) the level of inflation
- d) income and capital growth yields available for the investment portfolio.

##### **INVESTMENT POLICY**

The Trustees have identified the need to invest for a balance of growth and income so as to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Charity's Stockbroker.

## **THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2012**

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#### **THE GURNEY BENEVOLENT FUND**

##### **FINANCIAL REVIEW**

The limited income of this Fund is derived from investments previously held by the Southern Provincial Police School and Orphanage which are shown as a permanent endowment. There were eight children on the register at 31 March 2012 receiving weekly allowances ranging from £25 to £75 per week. As a result of the Annual Review allowances for one beneficiary were increased.

During the year to 31 March 2012 there were two additions to the register.

Five grants ranging from £216 to £444 were awarded during the course of the year.

The objectives of the Gurney Benevolent Fund are similar to those of the Gurney Fund for Police Orphans; it also does not pay allowances to beneficiaries who go on to higher education, it may, however, consider assisting with the payment of annual tuition fees and/or a grant towards the cost of books and ancillary equipment. No higher education grants were required this year.

##### **GENERAL – THE GURNEY FUND FOR POLICE ORPHANS & THE GURNEY BENEVOLENT FUND**

A review of Trustees Guidelines was undertaken in February 2010 and proposals to increase the assistance provided to those going onto higher education implemented in September 2011. The Christmas gift cheque was increased to £100 in December 2011 and extended to include the children with whom the Fund maintains contact. An increase to the 'basic' Fund Allowance from £25 per week to £35 per week, with effect from 1 April 2012, was also approved.

The switch from Incapacity Benefit to Employment Support Allowance continues to provide challenges for all those involved. As it is a time consuming process we would urge forces to advise us as soon as possible when an officer with children who may qualify for assistance from the Fund retires on ill health grounds. It should be noted that the officer must be deemed unfit for work of any kind and in receipt of Employment Support Allowance in either the Work Related Activity Group or the Support Group.

The sailing and activity holidays took place in July.

For the sailing event the Fund paid £15,932 for 25 beneficiaries, aged between 16 and 18. In total donations of £2,582 were received from Forces towards pocket money and expenses for the beneficiaries (£1,000 was received in the financial year ending 2011).

Mr Alex Marshall, Chief Constable for Hampshire joined the Trustees on their Sailing Day; the object of which is to afford Committee members the opportunity to review safety procedures, meet the crew, beneficiaries and their families.

In addition to the sailing holiday Mr Ogden represented the Fund at Policing Through The Ages at Gunwharf Quays, Portsmouth on 1 October 2011. The event, run in conjunction with Hampshire Constabulary, took place on the hottest October day on record and was very well attended. Miss McNicol and Mrs Keywood joined Mr Ogden and his family and were pleased by the amount of interest shown in the Fund. The Managing Committee are most grateful to Fairview Sailing for the loan of one of their boats for the event.

Mr John Apter, with assistance from Mr Dino Imbimbo and the team took 26 beneficiaries to the Ghyll Head Outdoor Education Centre in Cumbria. The trip cost £21,481 and donations totalling £2,493 were received from Forces to assist with pocket money (£1,000 was received in the financial year ending 2011).

This was Mr Apter's first year as group leader, and the Committee are very grateful to him and to the other helpers for all their hard work.

## **THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES**

#### **FOR THE YEAR ENDED 31 MARCH 2012**

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In September Miss McNicol represented the Fund at the National Police Memorial Day in Glasgow and Mr Spelman, Treasurer represented the Fund at the Metropolitan Police's Annual Ceremony of Remembrance in November.

The subscriptions and donations the Fund receives are very much appreciated; as is the ingenuity of those raising money for us. A full list of donations is given at the end of the Reports and Accounts. Surrey JBB, through the sale of wrist bands, generated publicity at the Federation Conference in 2011 and is again raising funds for us through the sale of sport water bottles. All of the contributions from subscribing forces are much appreciated

Fund subscriptions were last increased, from 10p to 20p per week, on 1 January 1989. The matter is reviewed regularly; when the need for an increase is identified the Fund's stakeholders will be consulted fully before any change is made.

Prompted by our Advisers, in November 2011, the Committee commenced discussing whether incorporation would be appropriate for the Fund and an up-date on progress will be provided at this year's AGM.

#### **WELFARE SERVICE**

This service, available through both Funds, was first introduced in 1952 and offers advice and assistance to families. There has been a considerable increase in the complexity of the issues raised and the support of Local Representatives and Force Welfare Officers in resolving some of these matters is invaluable and greatly appreciated.

The Director is more than happy to assist Force representatives with any queries they may have when considering whether an application to the Fund is appropriate.

#### **RISK ASSESSMENT**

As part of its on-going risk assessment and risk assessment management, the major risks to which the Fund is exposed are continually assessed and the findings notified to the Trustees. The Trustees are satisfied that appropriate measures are in place to mitigate the exposure to such risks.

#### **RETIREMENTS**

February was a busy month for retirements from the Committee:

Mr Tim Crux, Inspectors Representative from Essex retired; Mr Ray Reed, from Bedfordshire has filled the vacancy;

Mr Steve Davenport, Inspectors Representative from Dorset retired; Mr David Richards from Sussex has filled the vacancy;

Mr Nick Wilkinson, ACPO Representative from Sussex, retired and Mr Andy Marsh, from Hampshire took up the vacancy.

In March we said farewell to Mr John Bunker our solicitor as he was moving onto a new role as Head of Knowledge Management at Thomas Eggar LLP. Mr Bunker attended his first meeting with the Fund on 11 November 1998 and has advised on extending the support the Fund offers for beneficiaries going onto higher education; the revision of the Rules for both the Gurney Fund for Police Orphans and the Gurney Benevolent Fund and leaves the legacy of the Fund's consideration of progression to incorporation with his colleague Mr Julian Chadwick.

We are most grateful to Mr Bunker for his assistance and wish him well in his new role.

#### **THANKS**

The Trustees gratefully acknowledge and record warmest thanks to the following:

The Police Federation of England and Wales in undertaking, at no charge to the Fund, the printing of the Annual Reports and Accounts;

Mr Harry Blandy, Ms Jane Stewart and the Print Room Team at the Police Federation.

Devon and Cornwall Constabulary's Digital Media (Web) Team, especially Mr Reuben Millard, who maintain the Fund's website.



## **THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES**

#### **FOR THE YEAR ENDED 31 MARCH 2012**

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Chief Constables, Force Welfare Officers, Local Representatives, Branch Board Secretaries of the Fund's subscribing forces for their commendable assistance and all contributing members in supporting the Management Committee in their endeavours to ensure that the welfare of the beneficiaries is maintained in every respect possible;

Our professional advisers;

Lloyds TSB Bank Plc and

Miss Christine McNicol, Director and Mrs Sherral Keywood, Fund Administrator who deal with the day to day work of the Fund and the Managing Committee.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- 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 operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and trust deed. 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.

This report was approved by the board on **19 July 2012** and signed on behalf of the board by

Paul Upham  
Chairman

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF**

### **THE GURNEY FUND FOR POLICE ORPHANS**

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We have audited the consolidated financial statements of The Gurney Fund for Police Orphans for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit opinion**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Matters on which we are required to report by exception**

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **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 March 2012 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Spofforths LLP**  
**Chartered Accountants and Statutory Auditor**

**23 July 2012**

**9 Donnington Park**  
**85 Birdham Road**  
**Chichester**  
**West Sussex**  
**PO20 7AJ**

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

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 MARCH 2012**

	Note	Unrestricted funds			Restricted	2012	2011
		Gurney	Gurney Benevolent	Designated		Total	Total
		£	£	£	£	£	
<b>INCOMING RESOURCES</b>							
<b>Incoming resources from generated funds</b>							
Contributions, collections and donations	3	299,246	-	-	-	299,246	349,481
Investment income		154,853	9,515	-	6,757	171,125	165,280
Gift Aid refunded		90	-	-	-	90	97
<b>Total Incoming Resources</b>		<b>454,189</b>	<b>9,515</b>	<b>-</b>	<b>6,757</b>	<b>470,461</b>	<b>514,858</b>
<b>RESOURCES EXPENDED</b>							
<b>Cost of generating funds</b>							
Investment management costs		16,038	734	-	1,017	17,789	15,506
<b>Cost of charitable activities</b>	<b>4</b>	<b>502,705</b>	<b>16,467</b>	<b>-</b>	<b>-</b>	<b>519,172</b>	<b>478,001</b>
<b>Governance costs</b>	<b>5</b>	<b>23,268</b>	<b>4,247</b>	<b>-</b>	<b>-</b>	<b>27,515</b>	<b>23,958</b>
<b>Total resources expended</b>		<b>542,011</b>	<b>21,448</b>	<b>-</b>	<b>1,017</b>	<b>564,476</b>	<b>517,465</b>
<b>Net (expenditure) / income for the year before other recognised gains and</b>		<b>(87,822)</b>	<b>(11,933)</b>	<b>-</b>	<b>5,740</b>	<b>(94,015)</b>	<b>(2,607)</b>
Realised gains on investments		177,499	5,566	-	30,778	213,843	(9,340)
Unrealised gains/(losses) on investments		-	4,862	161,790	6,068	172,720	453,083
<b>Net (expenditure) / income for the year before transfers</b>		<b>89,677</b>	<b>(1,505)</b>	<b>161,790</b>	<b>42,586</b>	<b>292,548</b>	<b>441,136</b>
Gross transfers between funds		-	5,740	-	(5,740)	-	-
<b>Net movement in funds for the year</b>		<b>89,677</b>	<b>4,235</b>	<b>161,790</b>	<b>36,846</b>	<b>292,548</b>	<b>441,136</b>
Fund balances at 1 April 2011		5,353,128	264,241	785,074	328,080	6,730,523	6,289,387
<b>Fund balances at 31 March 2012</b>		<b>5,442,805</b>	<b>268,476</b>	<b>946,864</b>	<b>364,926</b>	<b>7,023,071</b>	<b>6,730,523</b>

THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012		2011	
		£	£	£	£
<b>Fixed assets</b>					
Freehold property	7		380,000		380,000
<b>Investments</b>					
Listed investments at market value	8	6,053,305		5,895,801	
Lloyds AMS account		149,129		208,409	
Deposit accounts		380,274		168,403	
Stockbroker income account		10,228		9,417	
			6,592,936		6,282,030
			6,972,936		6,662,030
<b>Current assets</b>					
Sundry debtors	9	54,778		60,665	
Cash at bank and in hand		7,973		20,711	
		62,751		81,376	
<b>Current liabilities</b>					
Sundry creditors	10	(12,616)		(12,883)	
<b>Net current assets</b>			50,135		68,493
<b>Total assets less current liabilities</b>			7,023,071		6,730,523
<b>Represented by:</b>					
<b>Unrestricted general funds</b>					
<b>The Gurney fund</b>					
Brought forward		5,353,128		5,344,313	
Movement for the year		89,677		8,815	
Carried forward			5,442,805		5,353,128
<b>The Gurney Benevolent fund</b>					
Brought forward		264,241		252,471	
Movement for the year		(1,505)		2,684	
Transfer between reserves		5,740		9,086	
Carried forward			268,476		264,241
<b>Unrestricted designated funds</b>					
<b>Investment fund</b>	11				
Brought forward		785,074		382,034	
Movement for the year		161,790		403,040	
Carried forward			946,864		785,074
<b>Restricted funds - The Gurney Benevolent Endowment</b>					
Brought forward		328,080		310,569	
Movement for the year		42,586		26,597	
Transfer between reserves		(5,740)		(9,086)	
Carried forward			364,926		328,080
<b>Total funds</b>			7,023,071		6,730,523

The financial statements were approved by the trustees and authorised for issue on 19 July 2012 and signed on its behalf by

T Spelman

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**CHARITY BALANCE SHEET**

**AS AT 31 MARCH 2012**

	Notes	2012		2011	
		£	£	£	£
<b>Fixed assets</b>					
Freehold property	7		380,000		380,000
<b>Investments</b>					
Listed investments at market value	8	5,490,258		5,318,736	
Lloyds AMS account		149,129		208,409	
Deposit account		315,108		163,379	
Stockbroker income account		9,519		8,773	
			5,964,014		5,699,297
			<u>6,344,014</u>		<u>6,079,297</u>
<b>Current assets</b>					
Debtors	9	57,189		62,260	
Lloyds current account		1,050		9,523	
Cash at bank and in hand		32		5	
			58,271		71,788
<b>Current liabilities</b>					
Creditors	10	(12,616)		(12,883)	
<b>Net current assets</b>					
			45,655		58,905
<b>Total assets less current liabilities</b>					
			<u>6,389,669</u>		<u>6,138,202</u>
<b>Represented by:</b>					
<b>Unrestricted funds</b>					
<b>General fund</b>					
Brought forward		5,353,128		5,344,313	
Movement for the year		89,677		8,815	
Carried forward			5,442,805		5,353,128
<b>Designated fund</b>					
Brought forward	11	785,074		382,034	
Movement for the year		161,790		403,040	
Carried forward			946,864		785,074
<b>Total funds</b>					
			<u>6,389,669</u>		<u>6,138,202</u>

The financial statements were approved by the trustees and authorised for issue on **19 July 2012** and signed on its behalf by

T Spelman

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 £	2011 £
Net cash outflow from operating activities	1	(88,395)	(32,256)
Net cash inflow from investment portfolio	2	229,058	101,513
<b>Net increase in cash balances held</b>	<b>3</b>	<b>140,663</b>	<b>69,257</b>

<b>Note 1 - Reconciliation of changes in resources to net inflow from operating activity</b>	2012 £	2011 £
Net (outgoing)/incoming resources before other recognised gains and losses	(94,015)	(2,607)
Decrease/(increase) in debtors	5,887	(30,865)
(Decrease)/increase in creditors	(267)	1,216
<b>Net cash outflow from operating activities</b>	<b>(88,395)</b>	<b>(32,256)</b>

<b>Note 2 - Net investment proceeds/(purchases)</b>	2012 £	2011 £
Payments to acquire shares	(1,313,129)	(689,598)
Receipts from sales of shares	1,542,187	796,587
Equalisation adjustment to share cost	-	(5,476)
<b>Net cash inflow from investment portfolio</b>	<b>229,058</b>	<b>101,513</b>

**Note 3 - Net increase in cash balances held**

	Movement in year £	2012 £	2011 £
Lloyds AMS account	(59,281)	149,129	208,409
Deposit accounts	211,871	380,274	168,402
Stockbroker income account	811	10,228	9,417
Current account and cash	(12,738)	7,973	20,711
	<b>140,663</b>	<b>547,604</b>	<b>406,939</b>

## THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

### NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2012

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#### 1 Principal accounting policies

##### ***Basis of accounting***

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and properties and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities published in March 2005, and with the Charities Act 2011 and applicable accounting standards.

##### ***Consolidation***

The Trustees of the Gurney Fund for Police Orphans, as appointed and elected in accordance with its rules and constitution, are automatically appointed as the Trustees of the Gurney Benevolent Fund in accordance with its governing document. As a result the Trustees of the Gurney Fund for Police Orphans also control the Gurney Benevolent Fund and manage the two charities on a unified basis. Accordingly these financial statements consolidate the results of the Gurney Fund for Police Orphans (the "charity") and the Gurney Benevolent Fund on a line by line basis. A separate statement of financial activities for the charity is not presented because advantage is taken of the exemptions afforded by paragraph 397 of the SORP. Throughout the financial statements "Group" is used when referring to the consolidated results of both the Gurney Fund for Police Orphans and the Gurney Benevolent Fund. "Charity" is used when referring to the Gurney Fund for Police Orphans only.

##### ***Investments***

Investments are stated in the balance sheet at the market value ruling at the Balance Sheet date. Unrealised gains and losses are dealt with in the Statement of Financial Activities.

##### ***Reserves***

The group funds support their beneficiaries over long periods of up to 20 years, and in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections. Subscribing officers contribute by a fixed weekly sum and until an increase in this sum is requested there is no correlation between income from this source and inflationary effects on allowances to beneficiaries.

Within the charity a designated fund has been set-up to isolate any unrealised gains or losses on investments until they are realised upon disposal.

The restricted fund consists of a permanent endowment arising from the sale of certain investments and the sale proceeds of the Southern Provincial Police School and Orphanage. It is the Trustees intention going forward to maintain the level of the Gurney Benevolent Fund investment portfolio invested in the gilts market to at least a balance equal to the permanent endowment fund.

##### ***Freehold property***

Freehold property is stated at market value. An independent open market value is obtained every five years, and the value of the property is reviewed annually by the Trustees. The freehold property is an operational property which is maintained in good working order and is considered to have a useful economic life in excess of 50 years. As such no depreciation is provided, but annual impairment reviews are performed.

##### ***Capital expenditure***

Capital expenditure below £5,000 is written off in the year in which it is incurred.

##### ***Deferred income and expenditure***

Deferred income and expenses relate to income and expenditure received or incurred in advance of trips arranged for the following summer.

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2012**

**1 Principal accounting policies (continued)**

***Incoming resources***

Donations are brought into account when received or receipt is reasonably certain. Legacies are brought into account on an accruals basis when the amount receivable can be quantified with reasonable certainty. Net investment income is included on an accruals basis.

***Resources expended***

All expenditure (including irrecoverable VAT), and grants payable, is brought into account on an accruals basis. Wages and salaries are apportioned between the relevant SOFA headings on a time spent basis.

***Pension contributions***

The fund contributes to a money purchase scheme on behalf of certain employees which are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

<b>2 Resources expended</b>		<b>2012</b>	<i>2011</i>
		<b>£</b>	<b>£</b>
Resources expended is stated after charging:			
Auditor's remuneration		<b>9,235</b>	<i>8,539</i>
		<hr/> <hr/>	<hr/> <hr/>
<b>3 Contributions, collections and donations</b>		<b>2012</b>	<i>2011</i>
		<b>£</b>	<b>£</b>
Forces subscriptions		<b>287,763</b>	<i>332,347</i>
Forces donations and collecting boxes	<b>15</b>	<b>7,505</b>	<i>6,061</i>
Private donations	<b>16</b>	<b>1,820</b>	<i>890</i>
Legacies	<b>17</b>	<b>2,000</b>	<i>10,100</i>
Trustee refunds		<b>158</b>	<i>83</i>
		<hr/> <hr/>	<hr/> <hr/>
		<b>299,246</b>	<i>349,481</i>
<b>4 Costs of charitable activities</b>		<b>2012</b>	<i>2011</i>
		<b>£</b>	<b>£</b>
Allowances and grants to children		<b>442,060</b>	<i>402,110</i>
Christmas gifts		<b>24,900</b>	<i>17,955</i>
Administration costs detailed below		<b>13,226</b>	<i>18,642</i>
Wages and salaries allocation	<b>6</b>	<b>38,986</b>	<i>39,294</i>
		<hr/> <hr/>	<hr/> <hr/>
Total cost of charitable activity		<b>519,172</b>	<i>478,001</i>
Telephone and postage		<b>2,701</b>	<i>2,570</i>
Printing and stationery		<b>(2,526)</b>	<i>3,314</i>
Sundries		<b>284</b>	<i>182</i>
Bank charges		<b>306</b>	<i>278</i>
Rates and insurance		<b>4,983</b>	<i>4,253</i>
Lighting, heating and cleaning		<b>2,434</b>	<i>3,191</i>
Repairs, renewals and garden upkeep		<b>4,939</b>	<i>4,525</i>
Staff training		<b>105</b>	<i>329</i>
		<hr/> <hr/>	<hr/> <hr/>
		<b>13,226</b>	<i>18,642</i>



**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2012**

<b>5 Governance costs</b>	<b>2012</b>	<i>2011</i>
	<b>£</b>	<i>£</i>
Trustees' expenses	<b>6,308</b>	<i>6,242</i>
Audit and accountancy fees	<b>8,333</b>	<i>8,028</i>
Legal and professional fees	<b>3,600</b>	<i>511</i>
Wages and salaries allocation	<b>9,274</b>	<i>9,177</i>
	<b>6</b>	
	<b>27,515</b>	<i>23,958</i>

In addition to fees billed directly to the charity the auditor receives an element of stockbroking commissions arising on the investment portfolio in lieu of accounting and advisory fees otherwise chargeable to the fund. In 2012 the amounts receivable by the auditor under this agreement amounted to £902 (2011: £511)

<b>6 Staff costs</b>	<b>2012</b>	<i>2011</i>
<b>Group and charity</b>	<b>£</b>	<i>£</i>
Gross salaries	<b>39,666</b>	<i>39,843</i>
Employers national insurance contributions	<b>3,523</b>	<i>3,638</i>
Pension scheme contributions	<b>5,071</b>	<i>4,990</i>
	<b>48,260</b>	<i>48,471</i>

Wages are allocated between charitable activities and governance costs as follows - 33% of the Director's wages being allocated to governance costs and the balance of the remaining wages costs be attributed to charitable activities.

No remuneration was paid to Trustees in the year but expenses amounting to £6,308 (2011: £6,242) were reimbursed.

The average number of staff employed during the year was 2 (2011: 2).

Two staff members are entitled to pension contributions relating to a defined contribution pension scheme, there were no outstanding contributions at the year end. No employee receives remuneration of more than £60,000 p.a.

<b>7 Freehold property</b>	<b>2012</b>	<i>2011</i>
<b>Group and charity</b>	<b>£</b>	<i>£</i>
Valuation at 1 April 2011	<b>380,000</b>	<i>380,000</i>
Revaluation in year	<b>-</b>	<i>-</i>
Valuation at 31 March 2012	<b>380,000</b>	<i>380,000</i>
Historical cost	<b>6,451</b>	<i>6,451</i>

The property was professionally valued by C G Spratt & Son, of 70a Brighton Road, Worthing, West Sussex on 19 January 2010. The Trustees have taken the view that a professional valuation is only required every five years as there is no intention to dispose of the property which is used as the administrative headquarters of the charity and the cost of doing this on an annual basis would be out of proportion to the value of the information obtained. In the years between professional valuations the Trustees monitor the value of the property using the "Nationwide Building Society House Price Index" and where appropriate will reflect any significant movements. The next professional valuation will take place in the year to 31 March 2015.

THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2012

8 Investments: listed

Group

	Total £	British Government Funds £	Equity Holdings £
Valuation at 1 April 2011	5,895,801	2,053,270	3,842,531
Acquisitions	1,313,129	530,689	782,440
Disposals	(1,328,344)	(1,222,287)	(106,057)
Changes in unrealised gains	172,719	40,696	132,023
	<u>6,053,305</u>	<u>1,402,368</u>	<u>4,650,937</u>

Charity

	Total £	British Government Funds £	Equity Holdings £
Valuation at 1 April 2011	5,318,736	1,687,342	3,631,394
Acquisitions	1,112,925	330,485	782,440
Disposals	(1,103,193)	(997,136)	(106,057)
Changes in unrealised gains	161,790	39,478	122,312
	<u>5,490,258</u>	<u>1,060,169</u>	<u>4,430,089</u>

9 Debtors

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Due from Gurney Benevolent Fund	-	-	4,212	4,067
Deferred expenses	12,014	11,958	12,014	11,958
Bank interest	166	80	166	80
Contributions from forces	32,445	33,354	32,445	33,354
Accrued investment income	10,153	15,273	8,352	12,801
	<u>54,778</u>	<u>60,665</u>	<u>57,189</u>	<u>62,260</u>

10 Creditors

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
PAYE and NI	936	1,000	936	1,000
Other creditors and accruals	11,680	11,883	11,680	11,883
	<u>12,616</u>	<u>12,883</u>	<u>12,616</u>	<u>12,883</u>

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2012**

**11 Designated funds**

<b>Group and charity</b>	<b>2012</b> £	<i>2011</i> £
Market value of investments at 31 March 2012	<b>5,490,258</b>	<i>5,318,736</i>
Historical cost of investments at 31 March 2012	<b>(4,543,394)</b>	<i>(4,533,662)</i>
Fund deficit transferred to general reserves	-	-
Designated fund carried forward	<b><u>946,864</u></b>	<i><u>785,074</u></i>

The Trustees believe it would not be prudent to consider unrealised gains on investments as being distributable as the gains or losses may differ materially from those which are subsequently realised.

When the market value of investments exceeds their historic cost the aggregate unrealised gain is credited to the designated fund. Where the market value of investments is less than their historic cost the aggregate unrealised loss remains within the general fund.

**12 Analysis of group net assets by type of fund**

	<b>Fixed Asset £</b>	<b>Investments £</b>	<b>Current Assets £</b>	<b>Creditors £</b>	<b>Total £</b>
<b>Unrestricted funds</b>	380,000	6,228,010	62,751	(12,616)	6,658,145
<b>Restricted funds</b>	-	364,926	-	-	364,926
	<b><u>380,000</u></b>	<b><u>6,592,936</u></b>	<b><u>62,751</u></b>	<b><u>(12,616)</u></b>	<b><u>7,023,071</u></b>

**13 Charity results**

	<b>2012</b> £	<i>2011</i> £
Incoming resources from generated funds	<b>454,189</b>	<i>497,123</i>
Costs of generating funds	<b>(16,038)</b>	<i>(13,975)</i>
Charitable activities	<b>(489,479)</b>	<i>(442,544)</i>
Administration costs	<b>(13,226)</b>	<i>(18,642)</i>
Governance costs	<b>(23,268)</b>	<i>(19,826)</i>
Realised gains on investments	<b>177,499</b>	<i>6,679</i>
Unrealised losses on investments	<b>161,790</b>	<i>403,040</i>
Net income/(expenditure) for year	<b><u>251,467</u></b>	<i><u>411,855</u></i>

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2012**

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**14 Gurney Benevolent Fund results**

The results of the Gurney Benevolent Fund, as extracted from these audited accounts, are as follows-

	<b>2012</b>	<i>2011</i>
	<b>£</b>	<i>£</i>
The income and expenses were:		
Incoming resources from generated funds	<b>16,272</b>	<i>17,735</i>
Charitable activities	<b>(16,467)</b>	<i>(16,815)</i>
Investment management costs	<b>(1,751)</b>	<i>(1,531)</i>
Governance costs	<b>(4,247)</b>	<i>(4,132)</i>
Realised gains on investments	<b>36,344</b>	<i>(16,019)</i>
Unrealised gains/(losses) on investments	<b>10,929</b>	<i>50,042</i>
	<hr/> <b>41,080</b> <hr/>	<hr/> <i>29,280</i> <hr/>
The assets and liabilities were:		
Fixed asset investments	<b>628,922</b>	<i>582,732</i>
Current assets	<b>8,692</b>	<i>13,656</i>
Creditors: amounts falling due within one year	<b>(4,212)</b>	<i>(4,067)</i>
	<hr/> <b>633,402</b> <hr/>	<hr/> <i>592,321</i> <hr/>
Represented by:		
Unrestricted funds	<b>268,476</b>	<i>264,241</i>
Restricted funds	<b>364,926</b>	<i>328,080</i>
	<hr/> <b>633,402</b> <hr/>	<hr/> <i>592,321</i> <hr/>

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2012**

<b>15 Forces donations and collecting boxes</b>		<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
Bedfordshire	Ms Karen Dandrigde - Female Development Event	-	360
Bedfordshire	Mr G Lee, retired officer	5	-
Bedfordshire	Anonymous	55	-
Cambridgeshire	Stuart Cox Family Liaison Officer	50	-
Devon & Cornwall	Mr N Burnell	-	50
Devon & Cornwall	Donated by staff in memory of Vernon Savage	70	-
Dorset	In memory of retired Inspector Percival Hill	-	160
Gloucestershire	PC Howard/Police Property Act fund	-	118
Gloucestershire	Mr A Fulton	100	-
Hampshire	Isle of Wight Police Sports and Social Club Charity Ball	-	2,044
Hampshire	Marine Unit boat show challenge	-	100
Hampshire	Joint branch board dinner auction	-	1,530
Hampshire	Collecting box - Cowes	-	24
Hampshire	Policing Through the Ages event	35	-
Hampshire	Inspector Steve Jackson (via Jhon Apter)	10	-
Hertfordshire	Bowling club - Four Counties Challenge Raffle	-	100
Norfolk	Mr H Murrel	-	20
Norfolk	Collecting boxes	-	126
Norfolk	Gorleston Probus Club	-	20
Suffolk	Collecting boxes	456	393
Surrey	Collecting boxes	-	43
Surrey	Ms C George - Control Room Dress Down Day	-	106
Surrey	Promotional wristbands & water bottles	773	-
Sussex	Mrs M Dubios	-	45
Sussex	Sgt M Hale Smith - CJS Event Solutions Ltd	-	722
Sussex	In memory of Joyce Abbott	210	-
Thames Valley	Anonymous	-	5
Thames Valley	In memory of Ann Powles	750	-
Warwickshire	Collecting boxes	-	95
Warwickshire	Anonymous	4,991	-
		<b>7,505</b>	<b>6,061</b>

  

<b>16 Private donations</b>		<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
Mrs Susan Craggs		180	180
G L Doubleday Charitable Trust		500	500
Mr Barry G Morris		-	50
Ms Jillian A Edwards		-	50
Anonymous Donation		-	40
Mrs Carrie Taylor		-	70
Mr S Higgins		60	-
Mr L McVitie		30	-
Mr K Spooner		10	-
In Memory of Robert Scoley Orange		350	-
In Memory of Vernon Savage		690	-
		<b>1,820</b>	<b>890</b>

**THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2012**

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**17 Legacy income**

During the year the Trustees were grateful to receive £2,000 from the Mr Rodney William Brown and Mrs Joan Vera Stooke.

**18 Related party transactions**

The Gurney Benevolent Fund does not directly employ its own staff but instead is administered by the staff of the Charity. Accordingly an annual recharge of administration expenses between the Charity and the Gurney Benevolent Fund is made. This recharge amounted to £4,212 (2011: £4,067) for the year.

**19 Ultimate controlling party**

The company is under the control of the Trustees as listed in the Trustees' Report. There is no individual with overall control.