

**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 2013**

## **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, 7 November 2013 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, 1 November 2012, 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 Mrs Nicola Burden, Chartered Legal Executive
- 6 To appoint a Chairman:

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

Office held for nineteen 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 I Davies J Earle P Jones P Land A Marsh R Reed D Richards M Richards QPM G Riley
<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 LLP 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 2013**

**Registered Charity Numbers : 261319 & 261319-1**

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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 present.

#### **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 3,276 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 and those with whom contact is being maintained;
- 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 2013**

**Registered Charity Numbers : 261319 & 261319-1**

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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, Thames Valley and Wiltshire.

A total of 187 beneficiaries were on the register at 31 March 2013 receiving allowances varying from £10 to £100 per week. The 'basic' weekly allowance paid to widows/widowers is £35; according to need. Of the 11 remarried parents, 14 dependent children were in receipt of allowances ranging from £10 to £60 per week.

During the year to 31 March 2013, 34 children were added to the register and three reinstated.

There were 19 incapacitated officers, supporting 32 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 85 grants for educational trips, books, music lessons and instruments, school uniform and equipment, ranging from £23 to £2,590. The Annual Review identified 19 beneficiaries where need could no longer be established; the allowances for 23 beneficiaries were increased and 11 had their allowances reduced from 1 April 2013.

Where allowances from the Fund cease, because need can no longer be established, links with the families are maintained until the children complete their education. At 31 March 2013 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 grants towards the cost of books and ancillary equipment. Grants totalling £42,730 for fees and £7,891 for books, laptops, stationery and subscriptions were awarded to 41 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.

Reviewing the investment performance against set objectives, Christopher Corfield advised looking at the FTSE 100 over the last year, markets are up by 11.15%. Reviewing Gurneys investments, the Main Fund is up 15.98%, Benevolent Fund up 17.3% and the Endowment Fund up 7.37%. The difference in performance of the latter fund is due the requirement to keep £300,000 completely separate, thus it is put beyond all speculative risk.

In regards to ensuring the portfolio generates income to ensure support of beneficiaries, just over three years ago the Main Fund returned a 2.8% yield, today the yield is 3.4%; on slightly more capital.

## **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 2013**

**Registered Charity Numbers : 261319 & 261319-1**

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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 six children on the register at 31 March 2013 receiving weekly allowances ranging from £15 to £35 per week.

During the year to 31 March 2013 there was one addition to the Register.

Three grants ranging from £29 to £110 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. Two higher education grants were issued this year: one for fees of £1,500 and the other for equipment totalling £409.

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

Where an officer dies children are registered on the Fund at the 'basic' weekly allowance of £35. The level of assistance provided to families is reviewed by the Managing Committee at their February meeting. All children aged 18 or under, who are in full time education, receive a Christmas gift cheque in December; in 2012 this was £100.

The migration from Incapacity Benefit to Employment Support Allowance (ESA). This year saw several of those who retired on ill health grounds lose their entitlement to benefits. For many the transition has been difficult and several appeals are pending. Whilst keen to assist as many officers as possible the Committee reviewed and endorsed its policy that, to qualify for Fund assistance, an 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 holiday took place in July. For this event the Fund paid £18,373 for 24 beneficiaries, aged between 16 and 18, to participate. In total donations of £2,390 were received from Forces towards pocket money and expenses for the beneficiaries (£100 was received in the financial year ending 2012).

Mr David Ogden MBE advised that this would be his last year as the sailing holiday group leader. We are deeply grateful to Mr Ogden for all his hard work over the years; he first ran the event for the Fund in July 1993. The holiday is technically, physically and emotionally demanding and a great success every year due entirely to the commitment and hard work put in by Mr Ogden and the crew.

The event will continue under the leadership of Sergeant Steve Rigby from Sussex Police. Sergeant Rigby has been involved with the holiday for many years and the Committee are very grateful to him for taking on this challenging role.

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 £25,519 and donations totalling £2,135 were received from Forces to assist with pocket money.

Ghyll Head has been a wonderful venue providing excellent staff, activities and unbeatable scenery for Fund groups for eleven years. The Committee is very grateful to them and the stalwart band of helpers, connected with Thames Valley Police, who have assisted for so many years: Dino Imbimbo, John Barnes, Mark Chapman, Spencer Kervin and Pat Queenan.

From feedback received from parents we know that those new to the event may set out with feelings of trepidation, however, they return full of confidence having enjoyed new experiences and made many new friends.

## **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 2013**

**Registered Charity Numbers : 261319 & 261319-1**

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There will be a change of location in 2013 as the Committee supported Mr Apter's suggestion that the event move to a location better suited to the distribution of the participants: PGL at Liddington near Swindon.

In September the Chairman represented the Fund at the National Police Memorial Day in York; the ceremony was particularly poignant following the tragic deaths of Police Constables Fiona Bone and Nicola Hughes.

The subscriptions and donations the Fund receives are very much appreciated; a full list of donations is given at the end of the Reports and Accounts.

Surrey JBB once again raised money for the Fund this year through the sale of sport water bottles. The Fund was also nominated as the Surrey Chief Constable's charity of the year and our thanks go to Ms Lynne Owens and her team for this support.

The benefits your subscriptions provide to Fund families is probably best summed up by a letter we received:

"I just don't know where to start with thanking you, the trustees and all the police members throughout the UK for the tremendous support that has been given to both me and my daughter over the past ten years.

My daughter has made many lifelong friends through the Gurney Fund holidays and still meets some of them regularly. For me just knowing that she has had some wonderful experiences and felt part of something special has made me a very happy lady.

I wish all of you the very best for the future and say a big thank you for just being there."

### **SUBSCRIPTIONS**

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.

The steady decline in subscriptions has been noted and discussed; our advisers inform us that there is no immediate cause for concern. Credit for this must be given to them for their sterling management and monitoring of the Fund's investments and finances.

### **INCORPORATION**

In February the Committee approved a Memorandum and Articles of Association to form a new corporate body. Our legal team are progressing this and will report on progress at the AGM in November.

### **WELFARE SERVICE**

Feedback from families has highlighted how important they find contact with the Fund; many comment that the Gurney Fund is now the only link they have with the police service.

The Welfare 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.

## **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 2013**

**Registered Charity Numbers : 261319 & 261319-1**

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#### **RETIREMENTS**

There have been no retirements from the Committee in this financial year.

#### **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.

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 Managing 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 8 August 2013 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 2013 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 2013 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**  
**8th August 2013**

**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 2013

	Note	Unrestricted funds				2013	2012
		Gurney £	Gurney Benevolent £	Designated £	Restricted £	Total £	Total £
<b>INCOMING RESOURCES</b>							
<b>Incoming resources from generated funds</b>							
Contributions, collections and donations	3	278,489	-	-	-	278,489	299,246
Investment income		189,507	10,522	-	8,996	209,025	171,125
Gift Aid refunded		63	-	-	-	63	90
<b>Total Incoming Resources</b>		<b>468,059</b>	<b>10,522</b>	<b>-</b>	<b>8,996</b>	<b>487,577</b>	<b>470,461</b>
<b>RESOURCES EXPENDED</b>							
<b>Cost of generating funds</b>							
Investment management costs		17,765	806	-	957	19,528	17,789
<b>Cost of charitable activities</b>	4	<b>521,816</b>	<b>14,725</b>	<b>-</b>	<b>-</b>	<b>536,541</b>	<b>519,172</b>
<b>Governance costs</b>	5	<b>38,491</b>	<b>5,245</b>	<b>-</b>	<b>-</b>	<b>43,736</b>	<b>27,515</b>
<b>Total resources expended</b>		<b>578,072</b>	<b>20,776</b>	<b>-</b>	<b>957</b>	<b>599,805</b>	<b>564,476</b>
<b>Net (expenditure) / income for the year before other recognised gains and losses</b>		<b>(110,013)</b>	<b>(10,254)</b>	<b>-</b>	<b>8,039</b>	<b>(112,228)</b>	<b>(94,015)</b>
Realised gains on investments		142,959	7,158	-	6,643	156,760	213,843
Unrealised gains on investments		-	38,229	777,520	19,054	834,803	172,720
<b>Net (expenditure) / income for the year before transfers</b>		<b>32,946</b>	<b>35,133</b>	<b>777,520</b>	<b>33,736</b>	<b>879,335</b>	<b>292,548</b>
Gross transfers between funds		-	8,391	-	(8,391)	-	-
<b>Net movement in funds for the year</b>		<b>32,946</b>	<b>43,524</b>	<b>777,520</b>	<b>25,345</b>	<b>879,335</b>	<b>292,548</b>
Fund balances at 1 April 2012		5,442,805	268,476	946,864	364,926	7,023,071	6,730,523
<b>Fund balances at 31 March 2013</b>		<b>5,475,751</b>	<b>312,000</b>	<b>1,724,384</b>	<b>390,271</b>	<b>7,902,406</b>	<b>7,023,071</b>

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

**CONSOLIDATED BALANCE SHEET**

**AS AT 31 MARCH 2013**

**Registered Charity Numbers : 261319 & 261319-1**

	Notes	2013		2012	
		£	£	£	£
<b>Fixed assets</b>					
Freehold property	7		<b>380,000</b>		380,000
<b>Investments</b>					
Listed investments at market value	8	<b>7,131,437</b>		6,053,305	
Lloyds AMS account		<b>48,748</b>		149,129	
Deposit accounts		<b>266,365</b>		380,274	
Stockbroker income account		<b>10,884</b>		10,228	
			<b>7,457,434</b>		6,592,936
			<b>7,837,434</b>		6,972,936
<b>Current assets</b>					
Sundry debtors	9	<b>73,814</b>		54,778	
Cash at bank and in hand		<b>6,720</b>		7,973	
		<b>80,534</b>		62,751	
<b>Current liabilities</b>					
Sundry creditors	10	<b>(15,562)</b>		(12,616)	
<b>Net current assets</b>			<b>64,972</b>		50,135
<b>Total assets less current liabilities</b>			<b>7,902,406</b>		7,023,071
<b>Represented by:</b>					
<b>Unrestricted general funds</b>					
<b>The Gurney fund</b>					
Brought forward		<b>5,442,805</b>		5,353,128	
Movement for the year		<b>32,946</b>		89,677	
Carried forward			<b>5,475,751</b>		5,442,805
<b>The Gurney Benevolent fund</b>					
Brought forward		<b>268,476</b>		264,241	
Movement for the year		<b>35,133</b>		(1,505)	
Transfer between reserves		<b>8,391</b>		5,740	
Carried forward			<b>312,000</b>		268,476
<b>Unrestricted designated funds</b>					
<b>Investment fund</b>	11				
Brought forward		<b>946,864</b>		785,074	
Movement for the year		<b>777,520</b>		161,790	
Carried forward			<b>1,724,384</b>		946,864
<b>Restricted funds - The Gurney Benevolent Endowment</b>					
Brought forward		<b>364,926</b>		328,080	
Movement for the year		<b>33,736</b>		42,586	
Transfer between reserves		<b>(8,391)</b>		(5,740)	
Carried forward			<b>390,271</b>		364,926
<b>Total funds</b>			<b>7,902,406</b>		7,023,071

The financial statements were approved by the trustees and authorised for issue on 8 August 2013 and signed on its behalf by

T Spelman  
Treasurer

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

**CHARITY BALANCE SHEET**

**AS AT 31 MARCH 2013**

	Notes	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Freehold property	7		<b>380,000</b>		380,000
<b>Investments</b>					
Listed investments at market value	8	<b>6,464,826</b>		5,490,258	
Lloyds AMS account		<b>48,748</b>		149,129	
Deposit account		<b>234,421</b>		315,108	
Stockbroker income account		<b>10,362</b>		9,519	
			<b>6,758,357</b>		5,964,014
			<b>7,138,357</b>		6,344,014
<b>Current assets</b>					
Debtors	9	<b>76,500</b>		57,189	
Lloyds current account		<b>837</b>		1,050	
Cash at bank and in hand		<b>3</b>		32	
			<b>77,340</b>		58,271
<b>Current liabilities</b>					
Creditors	10	<b>(15,562)</b>		(12,616)	
<b>Net current assets</b>					
			<b>61,778</b>		45,655
<b>Total assets less current liabilities</b>					
			<b>7,200,135</b>		6,389,669
<b>Represented by:</b>					
<b>Unrestricted funds</b>					
<b>General fund</b>					
Brought forward		<b>5,442,805</b>		5,353,128	
Movement for the year		<b>32,946</b>		89,677	
Carried forward			<b>5,475,751</b>		5,442,805
<b>Designated fund</b>					
Brought forward	11	<b>946,864</b>		785,074	
Movement for the year		<b>777,520</b>		161,790	
Carried forward			<b>1,724,384</b>		946,864
<b>Total funds</b>					
			<b>7,200,135</b>		6,389,669

The financial statements were approved by the trustees and authorised for issue on 8 August 2013 and signed on its behalf by

T Spelman  
Treasurer

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

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2013**

	Note	2013 £	2012 £
Net cash outflow from operating activities	1	(128,319)	(88,395)
Net cash (outflow)/inflow from investment portfolio	2	(86,568)	229,058
<b>Net (decrease)/increase in cash balances held</b>	<b>3</b>	<b>(214,887)</b>	<b>140,663</b>

<b>Note 1 - Reconciliation of changes in resources to net inflow from operating activity</b>	2013 £	2012 £
Net (outgoing)/incoming resources before other recognised gains and losses	(112,228)	(94,015)
(Increase)/decrease in debtors	(19,036)	5,887
Increase/(decrease) in creditors	2,945	(267)
<b>Net cash outflow from operating activities</b>	<b>(128,319)</b>	<b>(88,395)</b>

<b>Note 2 - Net investment proceeds/(purchases)</b>	2013 £	2012 £
Payments to acquire shares	(907,288)	(1,313,129)
Receipts from sales of shares	820,720	1,542,187
<b>Net cash (outflow)/inflow from investment portfolio</b>	<b>(86,568)</b>	<b>229,058</b>

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

	Movement in year £	2013 £	2012 £
Lloyds AMS account	(100,381)	48,748	149,129
Deposit accounts	(113,909)	266,365	380,274
Stockbroker income account	656	10,884	10,228
Current account and cash	(1,253)	6,720	7,973
	<b>(214,887)</b>	<b>332,717</b>	<b>547,604</b>

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

### NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2013

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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 2013**

**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.

**Depreciation**

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	20% per annum
Motor vehicles	25% per annum

**2 Resources expended**

Resources expended is stated after charging:

Auditor's remuneration

<b>2013</b>	<i>2012</i>
<b>£</b>	<i>£</i>
<b>10,020</b>	<i>9,989</i>

**3 Contributions, collections and donations**

Forces subscriptions

Forces donations and collecting boxes

Private donations

Legacies

Trustee refunds

<b>2013</b>	<i>2012</i>
<b>£</b>	<i>£</i>
<b>267,018</b>	<i>287,763</i>
<b>15</b>	<i>7,505</i>
<b>16</b>	<i>1,820</i>
<b>17</b>	<i>2,000</i>
<b>693</b>	<i>158</i>
<b>278,489</b>	<i>299,246</i>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2013**

<b>4 Costs of charitable activities</b>	<b>2013</b>	<i>2012</i>
	<b>£</b>	<i>£</i>
Allowances and grants to children	<b>452,995</b>	<i>442,060</i>
Christmas gifts	<b>25,000</b>	<i>24,900</i>
Administration costs detailed below	<b>18,206</b>	<i>13,226</i>
Wages and salaries allocation	<b>40,340</b>	<i>38,986</i>
<b>6</b>		
	<b>536,541</b>	<i>519,172</i>
Administration costs:		
Telephone and postage	<b>3,070</b>	<i>2,701</i>
Printing and stationery	<b>2,150</b>	<i>(2,526)</i>
Sundries	<b>474</b>	<i>284</i>
Bank charges	<b>405</b>	<i>306</i>
Rates and insurance	<b>3,948</b>	<i>4,983</i>
Lighting, heating and cleaning	<b>2,402</b>	<i>2,434</i>
Repairs, renewals and garden upkeep	<b>5,595</b>	<i>4,939</i>
Staff training	<b>162</b>	<i>105</i>
	<b>18,206</b>	<i>13,226</i>
<b>5 Governance costs</b>	<b>2013</b>	<i>2012</i>
	<b>£</b>	<i>£</i>
Trustees' expenses	<b>6,215</b>	<i>6,308</i>
Audit and accountancy fees	<b>8,292</b>	<i>8,333</i>
Legal and professional fees	<b>19,955</b>	<i>3,600</i>
Wages and salaries allocation	<b>9,274</b>	<i>9,274</i>
<b>6</b>		
	<b>43,736</b>	<i>27,515</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 2013 the amounts receivable by the auditor under this agreement amounted to £1,728 (2012: £1,656).

<b>6 Staff costs</b>	<b>2013</b>	<i>2012</i>
<b>Group and charity</b>	<b>£</b>	<i>£</i>
Gross salaries	<b>40,970</b>	<i>39,666</i>
Employers national insurance contributions	<b>3,531</b>	<i>3,523</i>
Pension scheme contributions	<b>5,113</b>	<i>5,071</i>
	<b>49,614</b>	<i>48,260</i>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2013**

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 £6,215 (2012: £6,308) were reimbursed.

The average number of staff employed during the year was 2 (2012: 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.

**7 Freehold property**

<b>Group and charity</b>	<b>2013</b> £	<i>2012</i> £
Valuation at 1 April 2012	<b>380,000</b>	<i>380,000</i>
Revaluation in year	-	-
Valuation at 31 March 2013	<u><b>380,000</b></u>	<u><i>380,000</i></u>
Historical cost	<u><b>6,451</b></u>	<u><i>6,451</i></u>

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.

**8 Investments: listed**

**Group**

	<b>Total</b> £	<b>British Government Funds</b> £	<b>Equity Holdings</b> £
Valuation at 1 April 2012	<b>6,053,305</b>	1,316,199	4,737,106
Acquisitions	<b>907,288</b>	-	907,288
Disposals	<b>(663,960)</b>	(186,654)	(477,306)
Changes in unrealised gains	<b>834,804</b>	46,162	788,642
Valuation at 31 March 2013	<u><b>7,131,437</b></u>	<u>1,175,707</u>	<u>5,955,730</u>

**Charity**

	<b>Total</b> £	<b>British Government Funds</b> £	<b>Equity Holdings</b> £
Valuation at 1 April 2012	<b>5,490,258</b>	1,060,169	4,430,089
Acquisitions	<b>777,885</b>	-	777,885
Disposals	<b>(580,837)</b>	(143,830)	(437,007)
Changes in unrealised gains	<b>777,520</b>	34,010	743,511
Valuation at 31 March 2013	<u><b>6,464,826</b></u>	<u>950,349</u>	<u>5,514,478</u>

THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2013

<b>9 Debtors</b>	<b>Group 2013 £</b>	<i>Group 2012 £</i>	<b>Charity 2013 £</b>	<i>Charity 2012 £</i>
Due from Gurney Benevolent Fund	-	-	<b>5,180</b>	4,212
Deferred expenses	<b>15,837</b>	12,014	<b>15,837</b>	12,014
Bank interest	<b>70</b>	166	<b>70</b>	166
Contributions from forces	<b>44,877</b>	32,445	<b>44,877</b>	32,445
Accrued investment income	<b>13,030</b>	10,153	<b>10,536</b>	8,352
	<b><u>73,814</u></b>	<u>54,778</u>	<b><u>76,500</u></b>	<u>57,189</u>

<b>10 Creditors</b>	<b>Group 2013 £</b>	<i>Group 2012 £</i>	<b>Charity 2013 £</b>	<i>Charity 2012 £</i>
PAYE and NI	<b>912</b>	936	<b>912</b>	936
Other creditors and accruals	<b>14,650</b>	11,680	<b>14,650</b>	11,680
	<b><u>15,562</u></b>	<u>12,616</u>	<b><u>15,562</u></b>	<u>12,616</u>

**11 Designated funds**

<b>Group and charity</b>	<b>2013 £</b>	<i>2012 £</i>
Market value of investments at 31 March 2013	<b>6,464,826</b>	5,490,258
Historical cost of investments at 31 March 2013	<b>(4,740,442)</b>	(4,543,394)
Designated fund carried forward	<b><u>1,724,384</u></b>	<u>946,864</u>

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	7,067,163	80,534	(15,562)	7,512,135
<b>Restricted funds</b>	-	390,271	-	-	390,271
	<b><u>380,000</u></b>	<b><u>7,457,434</u></b>	<b><u>80,534</u></b>	<b><u>(15,562)</u></b>	<b><u>7,902,406</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2013**

<b>13 Charity results</b>	<b>2013</b>	<i>2012</i>
	<b>£</b>	<i>£</i>
Incoming resources from generated funds	<b>468,059</b>	<i>454,189</i>
Costs of generating funds	<b>(17,765)</b>	<i>(16,038)</i>
Charitable activities	<b>(503,610)</b>	<i>(489,479)</i>
Administration costs	<b>(18,206)</b>	<i>(13,226)</i>
Governance costs	<b>(38,491)</b>	<i>(23,268)</i>
Realised gains on investments	<b>142,959</b>	<i>177,499</i>
Unrealised gains on investments	<b>777,520</b>	<i>161,790</i>
	<hr/>	<hr/>
Net income/(expenditure) for year	<b>810,466</b>	<i>251,467</i>
	<hr/>	<hr/>

**14 Gurney Benevolent Fund results**

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

	<b>2013</b>	<i>2012</i>
	<b>£</b>	<i>£</i>
The income and expenses were:		
Incoming resources from generated funds	<b>19,518</b>	<i>16,272</i>
Charitable activities	<b>(14,725)</b>	<i>(16,467)</i>
Investment management costs	<b>(1,763)</b>	<i>(1,751)</i>
Governance costs	<b>(5,245)</b>	<i>(4,247)</i>
Realised gains on investments	<b>13,801</b>	<i>36,344</i>
Unrealised gains on investments	<b>57,283</b>	<i>12,322</i>
	<hr/>	<hr/>
Net income for year	<b>68,869</b>	<i>42,473</i>
	<hr/>	<hr/>

The assets and liabilities were:

Fixed asset investments	<b>699,077</b>	<i>628,922</i>
Current assets	<b>8,374</b>	<i>8,692</i>
Creditors: amounts falling due within one year	<b>(5,180)</b>	<i>(4,212)</i>
	<hr/>	<hr/>
Total net assets	<b>702,271</b>	<i>633,402</i>
	<hr/>	<hr/>
Represented by:		
Unrestricted funds	<b>312,000</b>	<i>268,476</i>
Restricted funds	<b>390,271</b>	<i>364,926</i>
	<hr/>	<hr/>
Total funds	<b>702,271</b>	<i>633,402</i>
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2013**

<b>15 Forces donations and collecting boxes</b>		<b>2013</b>	<i>2012</i>
		<b>£</b>	<i>£</i>
Bedfordshire	Mr G Lee, retired officer	-	5
Bedfordshire	Anonymous	-	55
Cambridgeshire	Stuart Cox Family Liaison Officer	-	50
Devon & Cornwall	Donated in memory of Vernon Savage	678	70
Gloucestershire	Mr A Fulton	-	100
Gwent	National Association of Retired Police Officers	100	-
Hampshire	Families Day	139	-
Hampshire	Mrs P Jerome	100	-
Hampshire	Policing Through the Ages event	-	35
Hampshire	Inspector Steve Jackson (via Jhon Apter)	-	10
Suffolk	Collecting boxes	360	456
Surrey	Chief Constable's Charity of the Year	500	-
Surrey	Moleside Probus Club	50	-
Surrey	Riverside Neighbourhood Watch	55	-
Surrey	Police Federation Joint Branch Board water bottles	695	-
Surrey	Busbridge Evening Women's Institute	60	-
Surrey	Cobham Probus Club	40	-
Surrey	Mrs M Pollard	250	-
Surrey	In memory of Heather Cooper	50	-
Surrey	Welfare Department	112	-
Surrey	Promotional wristbands & water bottles	-	773
Sussex	Foundation Training Team	50	-
Sussex	Mrs M M Beach	25	-
Sussex	In memory of Joyce Abbott	-	210
Thames Valley	In memory of Ann Powles	-	750
Warwickshire	Coleshill Social Club	439	-
Warwickshire	Collecting boxes	36	-
Sundry forces	Donations toward sailing and activity holidays	5,464	4,991
		<b>9,203</b>	<i>7,505</i>
<b>16 Private donations</b>		<b>2013</b>	<i>2012</i>
		<b>£</b>	<i>£</i>
Mrs Susan Craggs		180	180
G L Doubleday Charitable Trust		500	500
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
Mr K Grommett		60	-
In memory of Eilee Jesty MBE		275	-
Ashford (Middlesex) Ladies Tuesday Club		20	-
Fresh Minds Limited		40	-
In memory of Mr A Barnard		500	-
		<b>1,575</b>	<i>1,820</i>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 31 MARCH 2013**

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**17 Legacy income**

No legacy income was received this year. (2012: 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 £5,180 (2012: £4,212) 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.