

**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 PERIOD FROM 1 APRIL 2014 TO 30 SEPTEMBER 2014**

## 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>	D Richards
<b>Managing Trustees</b>	J Apter N Faux P Land A Marsh A Pearson T Packham           Appointed 1 January 2015 R Reed                Resigned 31 December 2014 G Riley R Smith T Spelman           Retired 31 December 2014 P Upham L Taylor
<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 PERIOD ENDED 30 SEPTEMBER 2014**

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

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

In 1890 Miss Catherine Gurney, OBE established the Provincial Police Orphanage in Hove, East Sussex. Due to the reduction in numbers attending the orphanage closed in 1947 and a permanent endowment was transferred to the Gurney Benevolent Fund. In 1948 The Gurney Fund came into being to provide allowances for the children of deceased or incapacitated officers. In November 1978 approval was given to amend the Fund's title to the Gurney Fund for Police Orphans the use of which continued until the Gurney Benevolent Fund and the Gurney Fund for Police Orphans were merged to form the incorporated charity The Gurney Fund on 1 October 2014.

These accounts cover the period of 6 months from the previous year end of 31st March 2014 to the date of the transfer of the charity's assets to the new incorporated charity The Gurney Fund, charity number 1156903 on 1st October 2014. The comparative figures are for the 12 month period ended 31st March 2014. In order to appreciate and understand the activities and performance of the charity it is essential to read these financial statements in conjunction with those of the successor charity.

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

The Fund's Managing Committee is comprised of two ex-officio officers and ten serving police officers who are responsible for the administration of the charity. 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 (National Police Chiefs' Council), 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 of England & Wales, two from the Inspecting ranks, two holding the rank of Sergeant and two holding the rank of Constable. The Committee meets at least four times a year at which five members constitute a quorum. Any matters at Committee or General Meetings shall be determined by the majority of the votes of the members present.

#### **INCORPORATION**

On 1 October 2014 the Fund's transfer from two unincorporated trusts to a company limited by guarantee took place. This was the start rather than the end of the work. To focus on the positive aspects of the incorporation exercise:

- Having limited liability gives greater protection to the Trustees and members; whilst the grant making side of the Fund's work posed few problems there was always an element of risk attached to the sailing and activity holidays.
- The merger of the two trusts into one corporate body with charitable status simplifies applying to the Fund and, in time, the banking and accounts. We are indebted to the staff who handle force finances for their assistance with the migration of payments to our new bank account.
- New application cards have been issued to all forces. Revised information packs are in the pipeline; the hope is that these will be available via the Fund's website in the not too distant future.

There is still some confusion with regard to who is entitled to apply for assistance from the Fund: registration applies automatically where an officer, or police pensioner, with children of school age dies. There are complications where re marriages have taken place and the Fund does need to be informed at the outset if this is the case.

Where an officer retires on ill health grounds application cards and copy birth certificates should be submitted to the Fund Manager who will liaise with the officer directly to progress an application for assistance. If in any doubt please telephone and speak to the Fund's Manager, Miss Christine McNicol or Administrator, Mrs Sherral Keywood who will be only too pleased to assist.

The incorporation process has identified that it is becoming increasingly difficult for forces to attend General and Annual General Meetings and the Board are currently investigating, with the Fund's solicitor, removing the requirement for an Annual General Meeting.

#### **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 3,337 children have received assistance.

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;

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

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

**FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

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

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

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

**FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

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

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- 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 of relief" ("need"), in August 2004, the Trustees 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 of relief" and at the sole discretion of the Trustees.

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

#### **FINANCIAL REVIEW - FOR THE 6 MONTHS TO 30 SEPTEMBER 2014**

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.

The "basic" weekly allowance paid to widows/widowers is £35. Of the seven remarried parents, eight dependent children were in receipt of allowances ranging from £10 to £60 per week.

There were 19 incapacitated officers, supporting 30 children, each receiving a weekly grant varying from £15 to £120.

With the migration from Incapacity Benefit to Employment Support Allowance (ESA) continuing to pose problems for those retired on ill health grounds the Trustees, in May 2013, changed their Guidelines and removed the requirement that applicants must be in receipt of ESA or National Insurance Credits.

The Trustees awarded grants for educational trips, books, music lessons and instruments, school uniform and equipment.

Where allowances from the Fund cease, because "need of relief" can no longer be established, links with the families are maintained until the children complete their education. 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.

#### **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 in order to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Fund's Stockbroker.

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

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

**FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

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

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

##### **FINANCIAL REVIEW - FOR THE 6 MONTHS TO 30 SEPTEMBER 2014**

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.

During the period, to 30 September 2014, two children were added to the Register and 11 children were transferred to The Gurney Fund Register on 1 October 2014.

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.

##### **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 sailing holiday took place in July. For this event the Fund paid £17,427 for 20 beneficiaries, aged between 15 and 19, to participate. In total donations of £1,175 were received from Forces and used to cover a BBQ, rafting and water sports evenings.

For the second time the activity holiday returned to PGL at Liddington near Swindon; 28 beneficiaries participated. The trip cost £15,392 and donations totalling £1,550 were received from Forces to assist with pocket money.

and helpers provide two wonderful weeks for Fund beneficiaries. Thanks are also due to their Chief Constables for releasing officers and staff to participate.

In June the Treasurer, Mr Terry Spelman attended the Metropolitan Police Ceremony of Remembrance and in September the Chairman, Paul Upham represented the Fund at the National Police Memorial Day in Belfast.

An interesting mix of fund raising events generated donations; including a sponsored beard shave organised by PC Steve Marchant from Hampshire. A full list of donations is given at the end of the Reports and Accounts. Our thanks to all those who arrange these events.

events.

##### **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.

Whilst we are assured by our advisors that the steady decline in subscriptions is not, as yet, a cause for concern neither can we be complacent and publicising the Fund's work, and marketing generally, is currently under review.

##### **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.

##### **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.

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

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

**FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

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

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**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 & 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 Trustees in their endeavours to ensure that the welfare of the beneficiaries is maintained in every respect possible.

Our professional advisers: Mrs Nicola Burden, Thomas Eggar LLP; Mr Jon Curtis and Mrs Katie Presland, Charles Stanley and Co Limited, Mr Simon Webber and Mr Mark Spofforth OBE, Spofforths LLP.

Lloyds Bank Plc and

Miss McNicol and Mrs Keywood 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).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing 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.

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 committee on

and signed on behalf of the committee 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 period ended 30 September 2014 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 5, 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 30 September 2014 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**

**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 PERIOD FROM 1 APRIL 2014 TO 30 SEPTEMBER 2014  
(Comparatives for the year ended 31 March 2014)

	Note	Unrestricted funds				30/9/14	31/3/14
		Gurney £	Gurney Benevolent £	Designated £	Restricted £	Total £	Total £
<b>INCOMING RESOURCES</b>							
<b>Incoming resources from generated funds</b>							
Contributions, collections and donations	3	133,347	-	-	-	133,347	266,886
Investment income		132,519	8,229	-	4,738	145,486	218,445
<b>Total Incoming Resources</b>		<b>265,866</b>	<b>8,229</b>	<b>-</b>	<b>4,738</b>	<b>278,833</b>	<b>485,331</b>
<b>RESOURCES EXPENDED</b>							
<b>Cost of generating funds</b>							
Investment management costs		10,653	505	-	590	11,748	22,257
Allowances and grants to children		173,904	9,167	-	-	183,071	414,559
Christmas gifts		(200)	-	-	-	(200)	23,700
Administration costs		11,537	-	-	-	11,537	17,476
Wages and salaries	6	19,205	-	-	-	19,205	41,544
<b>Cost of charitable activities</b>	4	<b>204,446</b>	<b>9,167</b>	<b>-</b>	<b>-</b>	<b>213,613</b>	<b>497,279</b>
<b>Governance costs</b>	5	<b>34,406</b>	<b>3,422</b>	<b>-</b>	<b>-</b>	<b>37,828</b>	<b>44,751</b>
<b>Total resources expended</b>		<b>249,505</b>	<b>13,094</b>	<b>-</b>	<b>590</b>	<b>263,189</b>	<b>564,287</b>
<b>Net (expenditure) / income for the year before other recognised gains and losses</b>		<b>16,361</b>	<b>(4,865)</b>	<b>-</b>	<b>4,148</b>	<b>15,644</b>	<b>(78,956)</b>
Realised gains / (loss) on investments		168,310	(4,107)	-	1,969	166,172	93,722
Unrealised gains / (loss) on investments		1	2,290	(239,878)	1,086	(236,501)	288,001
Unrealised gain on freehold property revaluation		-	-	-	-	-	20,000
<b>Net (expenditure) / income for the year before transfers</b>		<b>184,672</b>	<b>(6,682)</b>	<b>(239,878)</b>	<b>7,203</b>	<b>(54,685)</b>	<b>322,767</b>
Gross transfers between funds		-	4,148	-	(4,148)	-	-
<b>Net movement in funds for the year</b>		<b>184,672</b>	<b>(2,534)</b>	<b>(239,878)</b>	<b>3,055</b>	<b>(54,685)</b>	<b>322,767</b>
Fund balances at 1 April 2014		5,475,605	333,716	2,042,141	373,711	8,225,173	7,902,406
<b>Fund balances at 30 September 2014</b>		<b>5,660,277</b>	<b>331,182</b>	<b>1,802,263</b>	<b>376,766</b>	<b>8,170,488</b>	<b>8,225,173</b>

THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2014

(Comparatives for the year ended 31 March 2014)

Registered Charity Numbers : 261319 & 261319-1

	Notes	£	30/9/14 £	£	31/3/14 £
<b>Fixed assets</b>					
Freehold property	7		400,000		400,000
<b>Investments</b>					
Listed investments at market value	8	7,362,653		7,433,485	
Lloyds AMS account		109,985		33,752	
Deposit accounts		253,856		304,160	
Stockbroker income account		21,811		8,009	
			7,748,305		7,779,406
			<b>8,148,305</b>		<b>8,179,406</b>
<b>Current assets</b>					
Sundry debtors	9	44,324		48,307	
Cash at bank and in hand		1,038		16,140	
		45,362		64,447	
<b>Current liabilities</b>					
Sundry creditors	10	(23,179)		(18,680)	
		(23,179)		(18,680)	
<b>Net current assets</b>			22,183		45,767
<b>Total assets less current liabilities</b>			<b>8,170,488</b>		<b>8,225,173</b>
<b>Represented by:</b>					
<b>Unrestricted general funds</b>					
<b>The Gurney fund</b>					
Brought forward		5,475,605		5,475,751	
Movement for the year		184,672		(146)	
Carried forward			5,660,277		5,475,605
<b>The Gurney Benevolent fund</b>					
Brought forward		333,716		312,000	
Movement for the year		(6,682)		13,549	
Transfer between reserves		4,148		8,167	
Carried forward			331,182		333,716
<b>Unrestricted designated funds</b>					
<b>Investment fund</b>	11				
Brought forward		2,042,141		1,724,384	
Movement for the year		(239,878)		317,757	
Carried forward			1,802,263		2,042,141
<b>Restricted funds - The Gurney Benevolent Endowment</b>					
Brought forward		373,711		390,271	
Movement for the year		7,203		(8,393)	
Transfer between reserves		(4,148)		(8,167)	
Carried forward			376,766		373,711
<b>Total funds</b>			<b>8,170,488</b>		<b>8,225,173</b>

The financial statements were approved by the

Paul Upham  
Chairman

THE GURNEY FUND FOR POLICE ORPHANS AND THE GURNEY BENEVOLENT FUND

CHARITY BALANCE SHEET  
AS AT 30 SEPTEMBER 2014

(Comparatives for the year ended 31 March 2014)

	Notes	30/9/14		31/3/14	
		£	£	£	£
<b>Fixed assets</b>					
Freehold property	7		400,000		400,000
<b>Investments</b>					
Listed investments at market value	8	6,679,393		6,741,956	
Lloyds AMS account		109,985		33,752	
Deposit account		233,557		292,271	
Stockbroker income account		20,166		7,615	
			7,043,101		7,075,594
			<u>7,443,101</u>		<u>7,475,594</u>
<b>Current assets</b>					
Debtors	9	46,392		51,747	
Cash at bank and in hand		1,038		9,086	
		<u>47,430</u>		<u>60,833</u>	
<b>Current liabilities</b>					
Creditors	10	<u>(27,990)</u>		<u>(18,680)</u>	
<b>Net current assets</b>			19,440		42,153
<b>Total assets less current liabilities</b>			<u>7,462,541</u>		<u>7,517,747</u>
<b>Represented by:</b>					
<b>Unrestricted funds</b>					
<b>General fund</b>					
Brought forward		5,475,606		5,475,751	
Movement for the year		184,672		(145)	
Carried forward			5,660,278		5,475,606
<b>Designated fund</b>					
Brought forward	11	2,042,141		1,724,384	
Movement for the year		(239,878)		317,757	
Carried forward			1,802,263		2,042,141
<b>Total funds</b>			<u>7,462,541</u>		<u>7,517,747</u>

The financial statements were approved by the

Paul Upham  
Chairman

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

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**  
*(Comparatives for the year ended 31 March 2014)*

	Note	30/9/14 £	31/3/14 £
Net cash inflow/(outflow) from operating activities	1	24,126	(50,330)
Net cash inflow from investment portfolio	2	503	79,675
<b>Net increase in cash balances held</b>	<b>3</b>	<b>24,629</b>	<b>29,345</b>

<b>Note 1 - Reconciliation of changes in resources to net inflow from operating activity</b>	<b>30/9/14</b> £	<b>31/3/14</b> £
Net (outgoing)/incoming resources before other recognised gains and losses	15,644	(78,956)
Decrease in debtors	3,983	25,507
Increase in creditors	4,499	3,119
<b>Net cash inflow/(outflow) from operating activities</b>	<b>24,126</b>	<b>(50,330)</b>

<b>Note 2 - Net investment proceeds/(purchases)</b>	<b>30/9/14</b> £	<b>31/3/14</b> £
Payments to acquire shares	(1,030,315)	(1,631,898)
Receipts from sales of shares	1,030,818	1,711,573
<b>Net cash inflow from investment portfolio</b>	<b>503</b>	<b>79,675</b>

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

	Movement in year £	30/9/14 £	31/3/14 £
Lloyds AMS account	76,233	109,985	33,752
Deposit accounts	(50,304)	253,856	304,160
Stockbroker income account	13,802	21,811	8,009
Current account and cash	(15,102)	1,038	16,140
	<b>24,629</b>	<b>386,690</b>	<b>362,061</b>

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

### NOTES TO THE FINANCIAL STATEMENTS

AS AT 30 SEPTEMBER 2014

(Comparatives for the year ended 31 March 2014)

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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.

##### **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. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 30 SEPTEMBER 2014**

*(Comparatives for the year ended 31 March 2014)*

<b>2 Resources expended</b>	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<b>£</b>
Resources expended is stated after charging:		
Auditor's remuneration:		
Audit of the financial statements	<b>5,970</b>	5,892
Accountancy services	<b>2,558</b>	2,525
Other services	<b>1,695</b>	6,227
	<b>10,223</b>	<b>14,644</b>
	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<b>£</b>
<b>3 Contributions, collections and donations</b>		
Forces subscriptions	<b>126,464</b>	258,664
Forces donations and collecting boxes	<b>15 4,283</b>	5,123
Private donations	<b>16 400</b>	2,530
Holiday refunds	<b>1,895</b>	509
Trustee refunds	<b>305</b>	60
	<b>133,347</b>	<b>266,886</b>
	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<b>£</b>
<b>4 Costs of charitable activities</b>		
Allowances and grants to children	<b>183,071</b>	414,559
Christmas gifts	<b>(200)</b>	23,700
Administration costs detailed below	<b>11,537</b>	17,476
Wages and salaries allocation	<b>6 19,205</b>	41,544
	<b>213,613</b>	<b>497,279</b>
Administration costs:		
Telephone and postage	<b>1,403</b>	2,955
Printing and stationery	<b>1,692</b>	1,798
Sundries	<b>245</b>	376
Bank charges	<b>157</b>	250
Rates and insurance	<b>1,278</b>	3,890
Lighting, heating and cleaning	<b>569</b>	2,947
Repairs, renewals and garden upkeep	<b>6,088</b>	5,098
Staff training	<b>105</b>	162
	<b>11,537</b>	<b>17,476</b>
	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<b>£</b>
<b>5 Governance costs</b>		
Trustees' expenses	<b>3,458</b>	6,904
Audit and accountancy fees	<b>6,939</b>	8,417
Legal and professional fees	<b>22,452</b>	19,544
Wages and salaries allocation	<b>6 4,979</b>	9,886
	<b>37,828</b>	<b>44,751</b>

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 the 6 months to 30 September 2014 the amounts receivable by the auditor under this agreement amounted to £1,695 (Year to 31 March 2014: £3,807). This arrangement ceased as at 31 July 2014.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 SEPTEMBER 2014**

*(Comparatives for the year ended 31 March 2014)*

**6 Staff costs**

<b>Group and charity</b>	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<b>£</b>
Gross salaries	<b>21,481</b>	42,328
Employers national insurance contributions	-	3,718
Pension scheme contributions	<b>2,703</b>	5,384
	<b>24,184</b>	<i>51,430</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 £3,458 (31 Mar 2014: £6,904) were reimbursed.

The average number of staff employed during the period was 2 (31 Mar 2014: 2).

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

**7 Freehold property**

<b>Group and charity</b>	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<b>£</b>
Valuation at 1 April 2014	<b>400,000</b>	380,000
Revaluation in year	-	20,000
Valuation at 30 September 2014	<b>400,000</b>	<i>400,000</i>
Historical cost	<b>6,451</b>	<i>6,451</i>

The property was professionally valued by C T N Spratt BSc FRICS, of C G Spratt & Son Chartered Surveyors, of 70a Brighton Road, Worthing, West Sussex on 26 February 2014 at £400,000. The property was valued on a full vacant possession basis in accordance with the RICS Valuation, Professional Standards January 2014.

**8 Investments: listed**

**Group**

	<b>Total</b>	<b>British Government Funds</b>	<b>Equity Holdings</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Valuation at 1 April 2014	<b>7,433,485</b>	805,347	6,628,138
Acquisitions	<b>1,030,315</b>	-	1,030,315
Disposals	<b>(864,646)</b>	-	(864,646)
Changes in unrealised gains	<b>(236,501)</b>	(2,383)	(234,118)
Valuation at 30 September 2014	<b>7,362,653</b>	802,964	6,559,689

**Charity**

	<b>Total</b>	<b>British Government Funds</b>	<b>Equity Holdings</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Valuation at 1 April 2014	<b>6,741,956</b>	647,222	6,094,734
Acquisitions	<b>1,001,416</b>	-	1,001,416
Disposals	<b>(824,102)</b>	-	(824,102)
Changes in unrealised gains	<b>(239,877)</b>	(1,794)	(238,083)
Valuation at 30 September 2014	<b>6,679,393</b>	645,428	6,033,965

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 SEPTEMBER 2014**

*(Comparatives for the year ended 31 March 2014)*

<b>9 Debtors</b>	<b>Group</b>	<i>Group</i>	<b>Charity</b>	<i>Charity</i>
	<b>30/9/14</b>	<i>31/3/14</i>	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<i>£</i>	<b>£</b>	<i>£</i>
Due from Gurney Benevolent Fund	-	-	<b>3,392</b>	<i>5,185</i>
Deferred expenses	<b>2,184</b>	<i>10,951</i>	<b>2,184</b>	<i>10,951</i>
Contributions from forces	<b>35,094</b>	<i>29,270</i>	<b>35,094</b>	<i>29,270</i>
Accrued investment income	<b>7,046</b>	<i>8,086</i>	<b>5,722</b>	<i>6,341</i>
	<b>44,324</b>	<i>48,307</i>	<b>46,392</b>	<i>51,747</i>

<b>10 Creditors</b>	<b>Group</b>	<i>Group</i>	<b>Charity</b>	<i>Charity</i>
	<b>30/9/14</b>	<i>31/3/14</i>	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<i>£</i>	<b>£</b>	<i>£</i>
PAYE and NI	<b>688</b>	<i>1,013</i>	<b>688</b>	<i>1,013</i>
Other creditors and accruals	<b>22,491</b>	<i>17,667</i>	<b>27,302</b>	<i>17,667</i>
	<b>23,179</b>	<i>18,680</i>	<b>27,990</b>	<i>18,680</i>

**11 Designated funds**

**Group and charity**

	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<i>£</i>
Market value of investments at 30 September 2014	<b>6,679,393</b>	<i>6,741,956</i>
Historical cost of investments at 30	<b>(4,877,130)</b>	<i>(4,699,815)</i>
Designated fund carried forward	<b>1,802,263</b>	<i>2,042,141</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>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>	400,000	7,372,757	44,144	(23,179)	7,793,722
<b>Restricted funds</b>	-	375,548	1,218	-	376,766
	<b>400,000</b>	<b>7,748,305</b>	<b>45,362</b>	<b>(23,179)</b>	<b>8,170,488</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 SEPTEMBER 2014**

*(Comparatives for the year ended 31 March 2014)*

<b>13 Charity results</b>	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<i>£</i>
Incoming resources from generated funds	<b>265,866</b>	<i>466,942</i>
Costs of generating funds	<b>(10,653)</b>	<i>(20,125)</i>
Charitable activities	<b>(192,908)</b>	<i>(466,965)</i>
Administration costs	<b>(11,537)</b>	<i>(17,476)</i>
Governance costs	<b>(34,406)</b>	<i>(39,501)</i>
Realised gains on investments	<b>168,310</b>	<i>56,979</i>
Unrealised (losses)/gains on investments	<b>(239,877)</b>	<i>317,757</i>
Unrealised surplus on freehold property	<b>-</b>	<i>20,000</i>
Net income	<b>(55,205)</b>	<i>317,611</i>

**14 Gurney Benevolent Fund results**

The results of the Gurney

	<b>30/9/14</b>	<i>31/3/14</i>
	<b>£</b>	<i>£</i>
The income and expenses were:		
Incoming resources from generated funds	<b>12,967</b>	<i>18,389</i>
Charitable activities	<b>(9,167)</b>	<i>(12,838)</i>
Investment management costs	<b>(1,095)</b>	<i>(2,132)</i>
Governance costs	<b>(3,422)</b>	<i>(5,250)</i>
Realised (losses)/gains on investments	<b>(2,138)</b>	<i>36,743</i>
Unrealised gains/(losses) on investments	<b>3,376</b>	<i>(29,756)</i>
Net income for year	<b>521</b>	<i>5,156</i>

The assets and liabilities were:

Fixed asset investments	<b>705,205</b>	<i>703,813</i>
Current assets	<b>1,324</b>	<i>8,799</i>
Creditors: amounts falling due within one year	<b>1,419</b>	<i>(5,185)</i>
Total net assets	<b>707,948</b>	<i>707,427</i>
Represented by:		
Unrestricted funds	<b>331,182</b>	<i>333,716</i>
Restricted funds	<b>376,766</b>	<i>373,711</i>
Total funds	<b>707,948</b>	<i>707,427</i>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 SEPTEMBER 2014**

*(Comparatives for the year ended 31 March 2014)*

<b>15 Forces donations and collecting boxes</b>		<b>30/9/14</b>	<b>31/3/14</b>
		<b>£</b>	<b>£</b>
Cambridgeshire	In memory of Mr F J Payne	-	100
Hampshire	Newport (IOW) Police Station Collecting Box	61	-
Hampshire	Sergeant Peter Jone retirement Collection	50	-
Hampshire	Policing Through the Ages	-	55
Hampshire	ACC N C Hindle - retired	-	280
Hampshire	Chief Inspector A Bottomley Cycle Challenge	-	42
Hampshire	Ms Sally Watts	100	-
Hampshire	Mrs A Constance	25	-
Hampshire	Nationwide Gritting Services Limited	500	-
Hampshire	Mr Darren Rawlings	100	-
Suffolk	Collecting boxes	-	536
Surrey	Chief Constable's Charity of the Year	-	407
Surrey	Collecting boxes	122	-
Surrey	Police Federation Joint Branch Board water bottles	-	417
Surrey	Mr J Willmet	-	20
Sussex	Superintendent I Davies Retirement Collection	-	50
Thames Valley	Ex-Berkshire Police Reunion	-	125
Thames Valley	Mrs S Roberts Retirement Collection	-	75
Thames Valley	NARPO - Berkshire Branch - Raffles	600	-
Warwickshire	Collecting boxes	-	321
Sundry forces	Donations toward sailing and activity holidays	2,725	2,695
		<b>4,283</b>	<b>5,123</b>

<b>16 Private donations</b>		<b>30/9/14</b>	<b>31/3/14</b>
		<b>£</b>	<b>£</b>
Mrs Susan Craggs		90	180
G L Doubleday Charitable Trust		-	600
Charity Abseil with Harlow Tye Rotary Club		-	167
The Amy Beach Community, Highworth Grammar School, Ashford, Kent		-	1,200
Highworth Grammar School, Mr A Milne		-	303
S L Walker		-	20
Mr K Grommet		30	60
Mr N Brooks		100	-
NGS Corporation		90	-
Nationwide Gritting Services		90	-
		<b>400</b>	<b>2,530</b>

**17 Legacy income**

No legacy income was received this period (2014: £Nil).

**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 £3,392 (2014: £5,185) for the period.

**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.

**20 Post balance sheet date event**

On 1 October 2014 'The Gurney Fund for Police Orphans and the The Gurney Benevolent Fund' transferred their trade and assets, excluding endowment funds, to 'The Gurney Fund', a newly incorporated charitable company, company number 08542702, charity number 1156903.