

**The Gurney Fund Registered Company number 08542702**  
**The Gurney Fund Registered Charity number 1156903**  
**The Gurney Benevolent Fund Registered Charity number 1156903-2**

**THE GURNEY FUND**

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

**FOR THE YEAR ENDED 31 MARCH 2016**

## THE GURNEY FUND

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## THE GURNEY FUND

### LEGAL AND ADMINISTRATIVE DETAILS

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The Gurney Fund is administered by:

<b>Chairman</b>	P Upham
<b>Treasurer</b>	D Richards
<b>Managing Trustees and Directors</b>	J Apter N Faux P Land A Marsh A Pearson G Riley R Smith P Upham L Taylor T Packham S Johnson      Appointed 29 September 2015
<b>Fund Manager</b>	Miss C McNicol
<b>Registered 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 Bank Plc 41-43 South Street Worthing West Sussex BN11 3AU
<b>Chartered Accountants and Statutory Auditor</b>	Kreston Reeves 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

### CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2016

Company number 08542702  
Charity numbers 1156903 & 1156903-2

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The Trustees present their report and the audited financial statements of The Charity for the year ended 31 March 2016. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and the financial statements of the Charity.

#### 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 medically retired 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.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Fund's Board 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 meeting of the Board of Trustees. The nominative Trustees comprise two members from the National Police Chiefs' Council (NPCC), 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 Board meets at least four times a year at which five members constitute a quorum. Any matters at Board or General Meetings shall be determined by the majority of the votes of the members present

#### OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The charity's objects are specifically restricted to the following:

- (1) the relief of children in need (for example by reason of their financial hardship or other social or economic disadvantage) and advancement of their education.

"Children" shall mean a child of a member of a subscribing Police Force who is deceased, or who in the opinion of the Trustees is substantially incapacitated from earning a living and the expression shall include an adopted child and may include a step-child if, in the opinion of the Trustees, such a step-child was substantially supported by such deceased or incapacitated police officer.

Applications are considered for the children of police officers of all ranks who are serving or have served in any of the subscribing police forces; children of police pensioners and, with effect from 4 February 2016, the children of special constables where death on duty, or serious role-related injuries, occur.

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 3,365 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;
- 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 Charity Commission.

Due to the problems arising in establishing and monitoring "the relief of children in need" ("need"), in August 2004, the Trustees agreed to amend their Guidelines: for both medically retired officers and widows/widowers allowances will cease at 31 March of the year following permanent relocation outside the British Isles.

## **THE GURNEY FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2016**

**Company number 08542702  
Charity numbers 1156903 & 1156903-2**

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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 Trustees.

## **THE GURNEY FUND**

### **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 145 beneficiaries were on the register at 31 March 2016 receiving allowances varying from £10 to £120 per week. The "basic" weekly allowance paid to widows/widowers is £35. Of the five remarried parents, six dependent children were in receipt of allowances ranging from £25 to £50 per week.

During the year to 31 March 2016, 28 children were added to the register.

There were 18 medically retired officers, supporting 29 children, receiving weekly grants varying from £10 to £120.

The Trustees awarded 57 grants, ranging from £32 to £3,000, totalling £26,064 for educational trips, books, music lessons and instruments, school uniform and equipment. The Annual Review identified 18 beneficiaries where "need" could no longer be established; the allowances for 16 beneficiaries were increased and 12 had their allowances reduced from 1 April 2016.

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 2016 contact was being maintained with 77 children. Two grants totalling £800 were issued to Contact beneficiaries.

Families on the Contact Register are reminded regularly that they can apply for reinstatement of assistance from the Fund if their circumstances change; six children were reinstated during the course of the year.

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 £46,000 for fees and £6,417 for books, laptops, stationery and subscriptions were awarded to 51 beneficiaries this financial year.

### **RESERVES POLICY**

At the year end, the total funds carried forward is £8,288,758. 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.

### **INVESTMENT PERFORMANCE REVIEW**

The 2016 year proved to be a difficult period with some unexpected developments along the way. Over the year fixed interest markets remained reasonably strong and this was a surprise as we had expected, in the earlier part of the year, to see some interest rate rises later on. Without these there was no reason to see any weakness in this area of the market. Consequently, as the portfolio had always had an equity bias the latter six month performance was fairly muted.

## THE GURNEY FUND

### CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2016

Company number 08542702

Charity numbers 1156903 & 1156903-2

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Undoubtedly, it was a year when global events buffeted world markets, and these events ranged from the slowdown in the Chinese economy, emerging markets selling off, the oil price falling and remaining depressed through to the unexpected Conservative general election victory. Volatility had returned to the FTSE 100 and its performance was disappointing in the run-up to Christmas resulting in lower asset prices. However, in the last quarter of the year there were signs of recovery and these were helped by the European Central Bank extending its quantitative easing (QE) programme further. Despite these green shoots, concerns still remained over the stability of European banking institutions, especially those of Italy and Spain.

Looking forward we see the portfolio becoming less biased towards the UK, which has historically been correct, and adding to the overseas exposure as many markets are interlinked and offer investors niche opportunities. However, there is no doubt that positive returns like those we have seen over the last five years are going to be harder to obtain as much of the 'easy' money has been made due to the QE programmes bolstering global stock markets. We remain committed to the principle of buying investments that produce dividends for shareholders, have identifiably profitable businesses and do not appear to be 'of the minute' and would disappear tomorrow. Charles Stanley is a cautious investment house and we feel that this is still the correct philosophy for the future as we look to grow and protect our clients' investments for the long term.

#### **GENERAL – THE GURNEY 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 Board at their February meeting. All children aged 18 or under, who are in full time education, receive a Christmas gift cheque in December; in 2015 this was increased to £125. With the demise of cheques coming ever closer payment switched to BACS.

In June the Fund's Vice Chairman, Mr John Apter attended the Metropolitan Police Ceremony of Remembrance and in September the Chairman, Mr Paul Upham represented the Fund at the National Police Memorial Day in Edinburgh.

The tri-annual review of Trustees from the federated ranks took place in July; to which there was no response. It is hoped that the situation will improve when the changes currently being considered by the Federation are complete. At present the Fund has no reserve Trustees; anyone interested in applying should contact Miss McNicol.

Mindful of the level of reserves the Fund holds, and the variation with regard to the donations received, the Board did not feel it appropriate to request pocket money this year for the Fund's holidays but did advise Benevolent Funds who was participating. The Trustees were delighted that some forces continued to donate; there was actually an increase in the amount received and the Trustees are most grateful for this support.

The sailing holiday group leader Mr Steve Rigby, from Sussex, advised that 2015 was "one of the best years ever". For this event the Fund paid £15,657 for 20 beneficiaries, aged between 15 and 21, to participate. In total donations of £1,550 were received from Forces and used to cover sweatshirts, a BBQ, rafting and water sports evenings.

Thirty beneficiaries attended the Fund's activity holiday at PGL at Liddington near Swindon. The trip cost £16,730 and donations totalling £1,585 were received from Forces to assist with pocket money. The group leader, Mr John Apter, from Hampshire, advised that the week was a great success.

we are most grateful to the Group Leaders, crew and helpers; these trips would not be possible without their commitment. Thanks are also due to PC Gavin Morgan from the Thames Valley Dog Handling Team and to Chief Constables: Mr Andy Marsh, Hampshire and Mr Giles York, Sussex for releasing officers and staff to assist with these holidays.

With assistance from Mr Dave Ogden, his wife Pat and Mrs Kerry Murray: sailing holiday stalwarts past and present; the Fund's Manager Miss Christine McNicol attended Hampshire's Policing Through The Ages at Gunwharf Quays, Portsmouth in October. The weather was fantastic and the event well attended the Board congratulates Sergeant Rob Sutton on the success of the event and thanks Fairview Sailing for the loan of a yacht.

The Board appreciates that everyone is under pressure these days and it is in response to this that amendment, to remove the requirement to hold an Annual General Meeting, was put to the membership, and approved, in November. The Fund's Memorandum & Articles of Association have been amended and registered with Companies House and the Charity Commission; a copy of the document is available on the Companies House website.

Looking forward to the summer of 2016 the Fund has accepted an invitation to participate in The Patron's Lunch: a street party to celebrate The Queen's patronage of over 600 charities and organisations on the occasion of her 90th birthday. The aim of the event is to afford charities the opportunity to spread the word about their work.

## **THE GURNEY FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2016**

**Company number 08542702  
Charity numbers 1156903 & 1156903-2**

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#### **SUBSCRIPTIONS AND DONATIONS**

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 downward trend for subscriptions and donations continues and in the new financial year, in consultation with the Fund's advisors, the Board will be discussing the steps the Fund needs to take to safeguard its future.

Following an approach from Mr Apter raffle prizes for the Hampshire Police Federation Charity Dinner were provided by the Saints Foundation: an independent charity aligned to Southampton Football Club: [www.saintsfoundation.co.uk](http://www.saintsfoundation.co.uk). Proceeds from the evening were divided between the Fund and the Hampshire Police Benevolent Fund. The Fund was also included in the list of charities to receive support from the Foundation for the 2015/16 season and, on 5 March, two Fund families attended the Southampton v Sunderland fixture as guests of the Foundation.

A full list of donations is given at the end of the Reports and Accounts; the Board is most grateful for the support.

The Fund has welcomed the opportunity to attend the Police Federation of England and Wales (PFEW) Policing Charities Conferences. Several common issues have been identified: the persistent problem of spreading the word about the work of police charities, the reduction in income and the difficulties all are experiencing in relation to referrals from forces. A booklet detailing several police charities is available on the PFEW's website. The Board is most grateful to the PFEW for facilitating these conferences and for their hospitality.

In the hope that it will raise the Fund's profile, and help address some of the referral issues, in December work commenced on the Fund's new website. A priority for the new website is an on-line donation facility.

#### **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 reviewed by the Trustees. The Trustees are satisfied that appropriate measures are in place to mitigate the exposure to such risks.

A new risk register is currently in progress and the Fund's current level of reserves has prompted discussion. The Board has a long term commitment to ensure that everyone registered with the Fund can be supported for as long as is needed; it hopes to increase the number of beneficiaries to provide as much assistance as it can to as many families as possible.

#### **SPECIAL CONSTABLES**

At their meeting on 4 February 2016 the Board endorsed their decision to consider applications for assistance for the children of members of the Special Constabulary where death on duty, or serious role-related injuries, occur.

Mr Nigel Green, MBE, Chairman of the Association of Special Constabulary Chief Officers is assisting the Board with regard to circulating this information.

#### **RETIREMENTS**

There were no retirements from the Board during the year under review.

Mr Gordon Dyer, Welfare Officer for Cambridgeshire retired in August; the Board is most grateful for the years of assistance he has provided to the Fund and families from Cambridgeshire Constabulary.

## **THE GURNEY FUND**

### **CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2016**

**Company number 08542702  
Charity numbers 1156903 & 1156903-2**

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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
- Mr Harry Blandy, Ms Jane Stewart and the Print Room Team at the PFEW;
- 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 commendable assistance and all contributing members in supporting the Trustees in their endeavours to ensure that 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 Mr Simon Webber and Mr Mark Spofforth OBE, Kreston Reeves LLP;
- In March Mr Spofforth was appointed High Sheriff of West Sussex; congratulations have been sent;
- Lloyds Bank Plc; and
- Miss McNicol and Mrs Keywood who deal with the day to day work of the Fund and the Board.

#### **WELFARE SERVICE**

The Welfare Service was first introduced in 1952 and offers families an opportunity to talk through some of the issues they face. Feedback from families has highlighted how important they find contact with the Fund; many comment that The Gurney Fund is the only link they have with the police service.



**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).

Company law 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 charitable company and of the incoming resources, including the income and expenditure, of the charitable company for that period. In preparing financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO THE AUDITOR**

So far as each Trustee at the date of approval is aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

This report which included the directors report was approved by the Board on \_\_\_\_\_ and signed on behalf of the Board by \_\_\_\_\_

Paul Upham  
Chairman

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

### **THE GURNEY FUND**

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We have audited the consolidated financial statements of The Gurney Fund for the year ended 31 March 2016 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) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of The Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 charitable company and the charitable company's members and its trustees 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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance of those Acts. 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 entity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Chairman's Report on behalf of the trustees is inconsistent in any material respect with the financial statements; or
- certain disclosures of trustees' remuneration specified by law are not made; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 31 March 2016 and of the group's income and application of expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

**For and on behalf of Kreston Reeves LLP  
Chartered Accountants and Statutory Auditor**

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

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

THE GURNEY FUND

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds			2016	2015
		General £	Designated £	Restricted	Total £	Total £
<b>Income</b>						
Donations and legacies	3	251,508	-	-	251,508	148,289
Transfer on incorporation		-	-	-	-	8,170,488
Income from investments		247,646	-	10,714	258,360	94,913
<b>Total Income</b>		<b>499,154</b>	<b>-</b>	<b>10,714</b>	<b>509,868</b>	<b>8,413,690</b>
<b>Expenditure</b>						
Raising funds - Investment manager costs		22,598	-	1,394	23,992	16,813
Charitable activities	4	517,371	-	-	517,371	270,340
<b>Total expenditure</b>		<b>539,969</b>	<b>-</b>	<b>1,394</b>	<b>541,363</b>	<b>287,153</b>
Net realised gains/(loss) on investments		62,937	-	(322)	62,615	15,385
Net unrealised gains/(loss) on investments		-	(395,601)	(9,702)	(405,303)	521,019
<b>Net income/(expenditure)</b>		<b>22,122</b>	<b>(395,601)</b>	<b>(704)</b>	<b>(374,183)</b>	<b>8,662,941</b>
<b>Transfers between funds</b>		<b>10,693</b>	<b>-</b>	<b>(10,693)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>32,815</b>	<b>(395,601)</b>	<b>(11,397)</b>	<b>(374,183)</b>	<b>8,662,941</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		5,964,173	2,314,974	383,794	8,662,941	-
<b>Total funds carried forward</b>		<b>5,996,988</b>	<b>1,919,373</b>	<b>372,397</b>	<b>8,288,758</b>	<b>8,662,941</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

**THE GURNEY FUND**

**CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2016**

Company number 08542702  
Charity numbers 1156903 & 1156903-2

	Notes	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Freehold property	6		400,000		400,000
<b>Investments</b>					
Listed investments at market value	7		7,733,029		7,850,123
			<b>8,133,029</b>		<b>8,250,123</b>
<b>Current assets</b>					
Sundry debtors	8	56,130		56,754	
Cash at bank and in hand		27,364		25,745	
Lloyds AMS account		-		69,907	
Deposit accounts		75,870		270,977	
Stockbroker income account		11,966		10,689	
		<b>171,330</b>		<b>434,072</b>	
<b>Current liabilities</b>					
Sundry creditors	9	(15,601)		(21,254)	
		<b>(15,601)</b>		<b>(21,254)</b>	
<b>Net current assets</b>			<b>155,729</b>		<b>412,818</b>
<b>Total assets less current liabilities</b>			<b>8,288,758</b>		<b>8,662,941</b>
<b>Charity funds:</b>					
<b>Unrestricted general funds</b>					
<b>General</b>					
Brought forward		5,964,173		-	
Movement for the year		22,122		5,958,186	
Transfer between reserves		10,693		5,987	
Carried forward			5,996,988		5,964,173
<b>Unrestricted designated funds</b>					
<b>Investment fund</b>	10				
Brought forward		2,314,974		-	
Movement for the year		(395,601)		2,314,974	
Carried forward			1,919,373		2,314,974
<b>Restricted funds the Gurney Benevolent Endowment</b>					
<b>Investment fund</b>					
Brought forward		383,794		-	
Movement for the year		(704)		389,781	
Transfer between reserves		(10,693)		(5,987)	
Carried forward			372,397		383,794
<b>Total Charity funds</b>			<b>8,288,758</b>		<b>8,662,941</b>

The notes 1 to 19 form part of these accounts.

For the year ending 31 March 2016 the parent company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this parent company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;

- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the trustees and authorised for issue on \_\_\_\_\_ and signed on its behalf by \_\_\_\_\_

Paul Upham  
Chairman

**THE GURNEY FUND**

**CHARITY BALANCE SHEET  
AS AT 31 MARCH 2016**

**Company number 08542702  
Charity number 1156903**

	Notes	£	2016 £	£	2015 £
<b>Fixed assets</b>					
Freehold property	6		400,000		400,000
<b>Investments</b>					
Listed investments at market value	7		7,367,806		7,474,804
			<u>7,767,806</u>		<u>7,874,804</u>
<b>Current assets</b>					
Sundry debtors	8	54,892		55,539	
Cash at bank and in hand		27,364		25,745	
Lloyds AMS account		-		69,907	
Deposit accounts		69,934		263,717	
Stockbroker income account		11,966		10,689	
		<u>164,156</u>		<u>425,597</u>	
<b>Current liabilities</b>					
Sundry creditors	9	(15,601)		(21,254)	
		<u>(15,601)</u>		<u>(21,254)</u>	
<b>Net current assets</b>			148,555		404,343
<b>Total assets less current liabilities</b>			<u>7,916,361</u>		<u>8,279,147</u>
<b>Charity funds:</b>					
<b>Unrestricted general funds</b>					
<b>General</b>					
Brought forward		5,964,173		-	
Movement for the year		22,122		5,958,186	
Transfer between reserves		10,693		5,987	
Carried forward			5,996,988		5,964,173
<b>Unrestricted designated funds</b>					
<b>Investment fund</b>	10				
Brought forward		2,314,974		-	
Movement for the year		(395,601)		2,314,974	
Carried forward			1,919,373		2,314,974
<b>Total Charity funds</b>			<u>7,916,361</u>		<u>8,279,147</u>

The notes 1 to 19 form part of these accounts.

For the year ending 31 March 2016 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the trustees and authorised for issue on

and signed on its behalf by

Paul Upham  
Chairman

**THE GURNEY FUND**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Net cash (outflow)/inflow from operating activities	1	(36,524)	328,385
Net cash (outflow)/inflow from investing activities	2	(225,594)	48,933
<b>Net (decrease)/increase in cash balances held</b>	<b>3</b>	<b>(262,118)</b>	<b>377,318</b>
<b>Cash and cash equivalents consists of:</b>			
		2016 £	2015 £
Cash at bank and in hand		115,200	377,318
Short term deposits		-	-
<b>Cash and cash equivalents at 31 March</b>		<b>115,200</b>	<b>377,318</b>
<b>Note 1 - Reconciliation of changes in resources to net inflow from operating activities</b>			
		2016 £	2015 £
Net income/(expenditure) for the year before other recognised gains and losses		(31,495)	8,126,537
Non cash transfer on incorporation		-	(7,762,653)
Decrease/(increase) in debtors		624	(56,754)
(Decrease)/increase in creditors		(5,653)	21,255
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(36,524)</b>	<b>328,385</b>
<b>Note 2 - Net investment proceeds/(purchases)</b>			
		2016 £	2015 £
Payments to acquire shares		(1,159,085)	(656,889)
Receipts from sales of shares		933,491	705,822
<b>Net cash (outflow)/inflow from investing activities</b>		<b>(225,594)</b>	<b>48,933</b>
<b>Note 3 - Net decrease in cash balances held</b>			
	<b>Movement in year</b>	2016 £	2015 £
Lloyds AMS account	(69,907)	-	69,907
Deposit accounts	(195,107)	75,870	270,977
Stockbroker income account	1,277	11,966	10,689
Current account and cash	1,619	27,364	25,745
	<b>(262,118)</b>	<b>115,200</b>	<b>377,318</b>

## THE GURNEY FUND

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2016

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#### 1 Principal accounting policies

##### ***Basis of preparation***

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The Gurney Fund meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The significant accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to all years presented unless stated

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

The Trustees of The Gurney Fund, 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 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 (the "charity") and the Gurney Benevolent Fund on a line by line basis. A separate statement of financial activities and income and expenditure account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. Throughout the financial statements "Group" is used when referring to the consolidated results of both The Gurney Fund and the Gurney Benevolent Fund. "Charity" is used when referring to The Gurney Fund 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 gilt market to at least a balance equal to the permanent endowment fund

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

Freehold property is stated at deemed cost less accumulated depreciation and accumulated impairment losses.

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

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

##### ***Debtors***

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

##### ***Cash at bank and in hand***

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### ***Creditors and provisions***

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

##### ***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.

##### ***Income***

Donations are brought into account when received or receipt is probable. 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.

## THE GURNEY FUND

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2016

#### **Expenditure**

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.

## 2 Expenditure

	2016 £	2015 £
Expenditure is stated after charging:		
Auditor's remuneration:		
Audit of the financial statements	7,800	4,800
Accountancy services	5,400	2,400
	<b>13,200</b>	<b>7,200</b>

## 3 Donations and legacies

	2016 £	2015 £
Forces subscriptions	232,161	126,035
Forces donations and collecting boxes	15 5,559	2,557
Private donations	16 13,385	1,405
Legacies	17 67	18,292
Holiday refunds	50	-
Trustee refunds	286	-
	<b>251,508</b>	<b>148,289</b>

## 4 Expenditure on charitable activities

	2016 £	2015 £
Allowances and grants to children	338,002	200,274
Activity holiday	16,730	-
Sailing holiday	15,657	-
Christmas gifts	27,500	21,100
Administration costs detailed below	23,481	9,302
Wages and salaries allocation	57,957	27,094
Trustees' expenses	7,144	3,571
Audit and accountancy fees	7,200	7,200
Audit fee prior year under accrual	6,000	-
Legal and professional fees	17,700	1,799
	<b>517,371</b>	<b>270,340</b>
<u>Administration costs:</u>		
Telephone and postage	2,249	1,503
Printing and stationery	4,005	1,850
Sundries	210	208
Rates and insurance	3,930	2,773
Lighting, heating and cleaning	3,057	1,847
Repairs, renewals and garden upkeep	10,030	1,121
	<b>23,481</b>	<b>9,302</b>



**THE GURNEY FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 MARCH 2016**

**5 Staff costs**

<b>Group and charity</b>	<b>2016</b>	<i>2015</i>
	<b>£</b>	<b>£</b>
Gross salaries	<b>49,301</b>	<i>22,388</i>
Employers national insurance contributions	<b>2,564</b>	<i>2,003</i>
Pension scheme contributions	<b>6,092</b>	<i>2,703</i>
	<b>57,957</b>	<i>27,094</i>

There were no related party transactions in the year except for the reimbursement of trustees' expenses. No remuneration was paid to Trustees in the year but expenses amounting to £1,034 (2015: £3,571) were reimbursed. These expenses related to reimbursed travel expenses and were paid to 5 trustees.

The average number of staff employed during the year was 2 (2015: 2).

Two staff members are entitled to pension contributions relating to a defined contribution pension scheme, there was £502 (2015: £901) of outstanding contributions at the year end (included within creditors). No employee receives employment benefits in excess of £60,000 p.a.

The group considers its key management personnel comprise the trustees (who are not remunerated), the Fund Manager and her assistant. The total employment benefits including employer pension contributions of the key management personnel were £55,392 (2015 - £25,091).

**6 Freehold property**

<b>Group and charity</b>	<b>2016</b>	<i>2015</i>
	<b>£</b>	<b>£</b>
Cost at 1 April 2015	<b>400,000</b>	-
Additions	-	<i>400,000</i>
	<b>400,000</b>	<i>400,000</i>
Valuation at 31 March 2016	<b>400,000</b>	<i>400,000</i>
Historical cost (pre transfer on incorporation)	<b>6,451</b>	<i>6,451</i>

The freehold property included above was recognised using a previous basis (valuation basis) valuation as a deemed cost on transition to SORP (FRS 102). The asset is being depreciated from the valuation date of 1 April 2015 and having a net book value of £400,000 (2015 - £400,000)

**7 Investments: listed**

<b>Group</b>	<b>Total</b>	<b>British</b>	<b>Equity Holdings</b>
	<b>£</b>	<b>Government</b>	<b>£</b>
		<b>Funds</b>	
		<b>£</b>	
Valuation at 1 April 2015	<b>7,850,123</b>	553,671	7,296,452
Acquisitions	<b>1,159,085</b>	69,163	1,089,922
Disposals	<b>(870,876)</b>	(100,278)	(770,598)
Changes in unrealised gains	<b>(405,303)</b>	(2,803)	(402,500)
Valuation at 31 March 2016	<b>7,733,029</b>	519,753	7,213,276
<b>Charity</b>	<b>Total</b>	<b>British</b>	<b>Equity Holdings</b>
	<b>£</b>	<b>Government</b>	<b>£</b>
		<b>Funds</b>	
		<b>£</b>	
Valuation at 1 April 2015	<b>7,474,804</b>	407,638	7,067,166
Acquisitions	<b>1,139,085</b>	69,163	1,069,922
Disposals	<b>(850,482)</b>	(100,278)	(750,204)
Changes in unrealised gains	<b>(395,601)</b>	(1,087)	(394,514)
Valuation at 31 March 2016	<b>7,367,806</b>	375,436	6,992,370

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 MARCH 2016

8 Debtors	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Deferred expenses	12,533	10,728	12,533	10,728
Contributions from forces	39,033	41,395	39,033	41,395
Accrued investment income	4,564	4,631	3,326	3,416
	<u>56,130</u>	<u>56,754</u>	<u>54,892</u>	<u>55,539</u>

9 Creditors	2016 £	2015 £
<b>Group and charity</b>		
PAYE and NI	1,066	1,210
Other creditors and accruals	14,535	20,044
	<u>15,601</u>	<u>21,254</u>

10 Designated funds	2016 £	2015 £
<b>Group and charity</b>		
Market value of investments at 31 March 2016	7,367,806	7,474,804
Historical cost of investments	(5,448,433)	(5,159,831)
	<u>1,919,373</u>	<u>2,314,973</u>

The Trustees believe it would not be prudent to consider unrealised gains on investments as being expendable 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.

11 Income and expenditure - prior period

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	2015 Total funds £
<b>Income</b>				
Donations and legacies	148,289	-	-	148,289
Transfer on incorporation	5,991,459	1,802,263	376,766	8,170,488
Income from investments	89,480	-	5,433	94,913
<b>Total income</b>	<u>6,229,228</u>	<u>1,802,263</u>	<u>382,199</u>	<u>8,413,690</u>
<b>Expenditure</b>				
Expenditure on raising funds	16,250	-	563	16,813
Expenditure on charitable activities	270,340	-	-	270,340
<b>Total expenditure</b>	<u>286,590</u>	<u>-</u>	<u>563</u>	<u>287,153</u>

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS  
AS AT 31 MARCH 2016

12 Analysis of group net assets by type of fund

	Fixed Asset £	Investments £	Current Assets £	Creditors £	Total £
Unrestricted funds	400,000	7,367,806	170,092	(15,601)	7,922,297
Restricted fund	-	365,223	1,238	-	366,461
	<b>400,000</b>	<b>7,733,029</b>	<b>171,330</b>	<b>(15,601)</b>	<b>8,288,758</b>

13 Charity results

	2016 £	2015 £
Income	499,154	8,031,491
Expenditure on raising funds	(22,598)	(16,250)
Expenditure on charitable activities	(517,371)	(270,340)
Realised gains on investments	62,937	15,548
Unrealised gains on investments	(395,601)	512,711
Net income/(expenditure)	<b>(373,479)</b>	<b>8,273,160</b>

14 Gurney Benevolent Fund results

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

	2016 £	2015 £
The income and expenses were:		
Income from investments	10,714	382,199
Expenditure on raising funds	(1,394)	(563)
Net realised gains / (loss) on investments	(322)	(163)
Net unrealised gains / (loss) on investments	(9,702)	8,308
Transfer to general unrestricted fund	(10,693)	(5,987)
Net income for year	<b>(11,397)</b>	<b>383,794</b>

The assets and liabilities were:

Fixed asset investments	365,223	382,579
Current assets	1,238	1,215
Total net assets	<b>366,461</b>	<b>383,794</b>
Represented by:		
Restricted funds	366,461	383,794
Total funds	<b>366,461</b>	<b>383,794</b>

## THE GURNEY FUND

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2016

#### 15 Forces donations and collecting boxes

		<b>2016</b>	<i>2015</i>
		<b>£</b>	<b>£</b>
Hampshire	Carol Service	-	124
Dorset	Cadets Reunion Raffle	-	469
Hampshire	PC Steve Marchant Beard Shave	-	500
Hampshire	The Late PS Peter Gormon	-	40
Hampshire	Retirement collection PC John Gibbon	-	50
South Wales	Ysgol Gwuan Y Nant Primary School	-	144
Sussex	Retirement collection Mr Bryan Huberman	-	130
Thames Valley	Constables' Branch Board	-	1,000
Thames Valley	Oxford Masonic Lodge	-	100
Hampshire	Mr M J Ortega-Falcom	<b>20</b>	-
Hampshire	Hampshire Police Family Day - The Stagg Family	<b>55</b>	-
Hampshire	Mr D Hagan and Kip	<b>60</b>	-
Hampshire	Mr T Rolfe - Triathlon Sponsorship	<b>180</b>	-
Hampshire	Police Federation Charity Dinner	<b>1,870</b>	-
Hampshire	Mr J Newman - Police Federation	<b>150</b>	-
Norfolk	Police Federation	<b>5</b>	-
Suffolk	Collecting boxes	<b>30</b>	-
Surrey	Collecting boxes	<b>34</b>	-
Sussex	Pitdown Golf Society	<b>20</b>	-
Sundry Forces	Sailing and Activity Holiday Pocket Money	<b>3,135</b>	-
		<b>5,559</b>	<i>2,557</i>

#### 16 Private donations

		<b>2016</b>	<i>2015</i>
		<b>£</b>	<b>£</b>
Mr S F D Payne		-	355
Mrs Susan Craggs		<b>180</b>	90
Garth Doubleday Charitable Trust		<b>600</b>	600
Mr K Grommett		<b>60</b>	30
NGS Corporation		<b>360</b>	150
Salt International (formerly Nationwide Gritting Services)		<b>360</b>	180
Anonymous		<b>1,000</b>	-
Mr R H Beazley		<b>100</b>	-
Mr C Groome		<b>50</b>	-
In memory of Stanley Hodges		<b>217</b>	-
Mr R Rehman, Infinitium Recruitment Ltd		<b>10,000</b>	-
Mr J Kidgell		<b>60</b>	-
Policing through the Ages		<b>9</b>	-
Gift aid		<b>389</b>	-
		<b>13,385</b>	<i>1,405</i>

#### 17 Legacy income

Legacy income of £67 was received this year (2015: £18,292).

#### 18 Ultimate controlling party

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

#### 19 Transition to Charities SORP (FRS 102)

This is the first year that the charity has presented its financial statements under Charities SORP (FRS 102). The charity has applied Section 35 'Transition to this FRS', of FRS 102 in preparing these financial statements as required by the Charities SORP (FRS 102). The last financial statements for the year ended 31 March 2015 were prepared under previous SORP (2005) and the transition date to Charities SORP (FRS 102) is therefore 1 April 2014. The application of the new SORP has not resulted in a restatement of the charity's funds for this year or the comparative period.