The Police Children's Charity

England & Wales · Charity number 1147445

Details

Other names	ST GEORGE'S POLICE CHILDRENTRUST, ST GEORGE'S POLICE TRUST, SGPT, St George's Police Children Trust
Status	Registered
Legal form	Charitable company
Company number	07822521
Registered	2012-05-25
Register	View on the Charity Commission register

Contact

Address	Northern Police Convalescent Home St. Andrews Harlow Moor Road Harrogate HG2 0AD
Phone	01423504448
Email	enquiries@thepolicetreatmentcentres.org

Activities

Objects: THE RELIEF OF THOSE IS NEED BY REASON OF ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE FOR THE PUBLIC BENEFIT IN PARTICULAR BUT NOT LIMITED TO SUPPORT CHILDREN AND YOUNG PEOPLE UP TO THE AGE OF 25 WHERE A PARENT WHO IS, OR WAS, A SERVING POLICE OFFICER OR POLICE STAFF MEMBER.

Activities: THE RELIEF OF THOSE IS NEED BY REASON OF ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE FOR THE PUBLIC BENEFIT IN PARTICULAR BUT NOT LIMITED TO SUPPORT CHILDREN AND YOUNG PEOPLE UP TO THE AGE OF 25 WHERE A PARENT WHO IS, OR WAS, A SERVING OFFICER, HAS DIED OR HAS BECOME INCAPACITATED IN SOME WAY THAT AFFECTS EARNING CAPABILITY.

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Classification

- **How:** Makes Grants To Individuals
- **What:** General Charitable Purposes
- **Who:** Children/young People

Geography

- Northern Ireland
- Scotland

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,259,135	£909,077	£16,219,960	0
2023-12-31	£1,254,005	£1,382,175	£14,402,886	0
2022-12-31	£1,242,291	£870,536	£14,299,550	0
2021-12-31	£1,215,751	£813,217	£15,823,624	0
2020-12-31	£1,222,091	£1,319,727	£14,334,525	0

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Trustees

Name	Role	Appointed
Liam Kelly	Chair	2018-06-13
ALAN LEES		2016-08-02
Allen James Shaw		2022-07-12
Brian Norman Mills Jones		2021-02-16
Christopher Henry Bentley		2023-06-28
Ciaron David Irvine		2022-01-25
Dr Norman George Haslett		2025-07-04
Elaine McCormill		2024-07-02
John Patrick Robins		2016-06-16
John Skelton		2016-05-12
Lauren Poultney		2024-01-18
Matthew Hamilton		2024-02-19
Nicholas James Smart		2024-07-24
Richard Brian Wood		2020-04-08
Richie Murray		2022-01-01
Robin William Fraser Hay		2022-10-18
Sarah Louise Baker		2025-10-27
Stuart Burns Houston		2025-02-01
Stuart Cowan		2025-04-01
Tim Forber		2024-06-18
Trevor Purcell		2018-07-16

Linked charities

- ST GEORGE'S POLICE TRUST (1147445-1)

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The Police Children's Charity

England & Wales - Charity number 1147445

Accounts

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FOR

THE POLICE CHILDREN'S CHARITY

Charity Number: 1147445
Scottish Charity Number: SC043652
Company Number: 07822521



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Welcome

The Police Children's Charity exists to support donating Police Families across the United Kingdom in times of need. It primarily supports and benefits children & young people not only when parental bereavement occurs, but also in ill health retirement cases where reduced income could have a detrimental impact.

The Charity is constantly adapting to changes and the associated requirements in the policing world to ensure it is responsive and remains as fit for purpose as it can be. From January 2024 Police staff became eligible to sign up and access benefits meaning we are a totally inclusive Charity. During 2024 the charity added a birthday grant for school children, adding to an already comprehensive support package.

In my role as Chair over the last seven years I have been humbled by the support and assistance we have been able to provide for Police Families when they are in most need. To remain fit for purpose, the Charity will continue to evolve and reflect the changing world of policing.

Being unable to positively intervene because there was no donor in the family is both frustrating and heart-breaking. Therefore, I would ask that awareness of what this Charity provides is promoted and would encourage all those eligible to consider becoming a donor.

Liam Kelly
CHAIR



Smith Family Story

Lilys mum is a Serving Officer in Nottinghamshire Police. On hearing about the 'Grants for All' they applied for the Ex Gratia grant to help support Lily with the extra pressures of living with Cerebral Palsy.

Here Lily tells us in her own words how the Charity has helped her.

"Hello, my name is Lily Smith. I'm currently studying History, English Literature, and Politics for my A-levels.

I was born with cerebral palsy, which primarily affects my legs, so I use a wheelchair. My hands and fingers are also affected, so from an early age, I used a computer or laptop to help speed up my work and reduce strain on my fingers.

My family applied to The Police Children's Charity to see if they could offer support.

When we received the donation to go towards a new laptop from The Police Children's Charity, it was honestly life-changing for my studies. Before that, I had been relying on the school's laptops, which, to put it bluntly, were awful. They were slow, constantly freezing, and would randomly shut down at the worst moments—usually when I was in the middle of writing an important essay. Trying to research, take notes, and complete coursework on those machines was frustrating and, at times, overwhelming.

Having my own laptop has made such a difference to my A-Level studies. I no longer have to worry about whether the device will work properly when I need it most. It's fast, reliable, and allows me to work efficiently from anywhere, whether that's at home, in the library, or even at a café when I need a change of scenery. I can now organise my notes properly, access research materials quickly, and use all the software I need without any issues.

Looking ahead to university, this laptop is going to be invaluable. I'll be studying history, which means a lot of reading, research, and essay writing. Having a dependable device will allow me to access online archives, write and edit essays smoothly, and keep up with lectures and assignments without stress. I can also use it for things like video calls with tutors, joining online study groups, and accessing university resources that would have been a struggle on the old school computers.

I'm incredibly grateful for this support. It's not just a laptop—it's a tool that's helping me achieve my academic goals and setting me up for success at university.

Thank you so much to The Police Children's Charity for making such a huge difference in my education and future."



Grants For All



Providing a helping hand if the unimaginable happens

The Police Children's Charity is a registered Charity which provides support to Police Families by helping to ease the financial pressures of bringing up children in the face of life-changing circumstances.

These circumstances could include the loss of either Police Family parent or when the Police Family parent is unable to earn an income due to injury or illness, sustained on or off duty, or when a child is struggling as a result of mental health challenges.

Support from the Charity can provide a degree of financial certainty in difficult times and is provided for on or off duty incidents to the families of all our donors.

Our Vision

Our vision is to create an environment where The Police Children's Charity Beneficiary families are free of financial cares and concerns.

Our Mission Statement

To provide present and future financial and other support to The Police Children's Charity Beneficiaries.

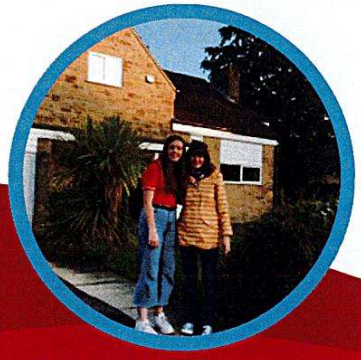
Our Values

Always put our Beneficiaries at the heart of our work.

Actively seek out new Beneficiaries.

Continue to support all Beneficiaries in an open and transparent way.

Deal with all new and existing applications in a sensitive manner.





Charity Number:	1147445
Scottish Charity Number:	SC043652
Company Number:	07822521
Business Address:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Registered Office:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Auditor:	TC Group Registered Auditors 6 Queen Street Leeds LS1 2TW
Bankers:	Barclays Bank Plc 25 James Street Harrogate HG1 1QX
Investment Advisors:	Cazenove Capital Management 12 Moorgate London EC2R 6DA

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and strategic Report) for the Year Ended 31 December 2024

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, submit their Annual Report and audited accounts for The Police Children's Charity (the Company) for the year ended 31 December 2024. The Trustees confirm that the Annual Report and financial statements comply with current statutory requirements. The principal site and registered office for the Charity is St Andrews, Harlow Moor Road, Harrogate, HG2 0AD.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Police Children's Charity was registered as an incorporated charity on 25 October 2011 and commenced trading on 1 January 2013. On 1 January 2013 the trade and assets not restricted by permanent endowment of the St George's Police Trust (SGPT) were transferred to the St George's Police Children Trust at fair market value. The St George's Police Children Trust has been granted a linking order between the two Charities to enable consolidated accounts to be prepared. The St George's Police Children Trust therefore acts as the corporate Trustee of the existing charity, the St George's Police Trust. The St George's Police Trust remains registered with the charities commission (1147445-1). The governing documents were last reviewed on the 8 August 2016. In January 2022 the Charity changed its trading name to The Police Children's Charity.

The Company is registered as a charitable company limited by guarantee, registered Charity Commission number 1147445 and OSCR SC043652, and was set up by a Trust Deed and is governed by the Memorandum and Articles of Association.

The principal objective of The Police Children's Charity is contained in the Memorandum and Articles of Association as follows:

The Charity's objects are specifically restricted to the relief of those in need by reason of ill-health, disability, financial hardship or other disadvantage for the public benefit in particular but not limited to support children and young people up to the age of 25 where a parent who is, or was, a serving police officer or police staff member.

Organisational Structure

The Charity is run by Trustees (Directors of the Company) who are elected from the following organisations:

i. Six Trustees appointed by the National Police Chiefs' Council of England, Wales and Northern Ireland (NPCC);

ii. One Trustee appointed by the Scottish Chief Police Officers' Staff Association (SCPOSA);

iii. Two Trustees appointed by the Police Superintendents' Association of England and Wales (PSAEW);

iv. One Trustee appointed by the Association of Scottish Police Superintendents (ASPS);

v. One Trustee appointed by the Superintendents' Association of Northern Ireland (SANI);

Organisational Structure (continued)

vi. Six Trustees appointed by the Police Federation of England and Wales (PFEW)

vii. Three Trustees appointed by the Scottish Police Federation (SPF);

viii. One Trustee appointed jointly by the Police Federations of the British Transport Police, Civil Nuclear Constabulary and the Ministry of Defence Police;

ix. Three Trustees appointed by the Police Federation of Northern Ireland (PFNI); and

x. Up to six Co-Opted Trustees at any one time who are appointed by the Trustees.

The Charity amended its articles which were approved in March 2022 to remove the rank from the federation representatives to enable the appointment of the trustee who has the best skills to deliver the aims of the Charity

Organisational Structure (continued)

The current membership is as follows:

Name	Force	Appointment Date TPCC	Termination Date
L Kelly (Chair)	Police Service of Northern Ireland	09/04/2015	
R Wood (Vice chair)	Police Service of Scotland	08/04/2020	
C Bentley	West Yorkshire	28/06/2023	
S Cowan	British Transport Police	01/04/2025	
M Davis	Co-opted	19/05/2017	
J Fisher	Northumbria	10/10/2024	
T Forber	North Yorkshire	18/06/2024	
M Hamilton	Co-opted	19/02/2024	
R Hay	Police Service of Scotland	18/10/2022	
S Houston	Police Service of Scotland	01/02/2025	
C Irvine	Durham	25/01/2022	
B Jones	Police Service of Scotland	16/02/2022	
S Kennedy	Merseyside	24/11/2022	
A Lees	Co-Opted (NARPO)	02/08/2016	
E McCormill	Police Service of Northern Ireland	02/07/2023	
K Meynell	Derbyshire	25/04/2022	
R Murray	Cleveland	01/01/2022	
L Poultney	South Yorkshire	18/01/2024	
T Purcell	Police Service of Northern Ireland	16/07/2018	
S Raitth	Co-Opted	01/02/2025	
J Robins	West Yorkshire	16/06/2016	
A Shaw	Police Service of Scotland	12/07/2022	
J Skelton	Nottinghamshire	12/05/2016	
N Smart	West Yorkshire	24/07/2024	
A Freeburn	Police Service of Scotland	03/04/2024	31/01/2025
W Franklin		03/06/2024	23/07/2024
M Marshallsay	British Transport Police	01/09/2022	31/03/2025
G McGrath	Police Service of Northern Ireland	31/07/2023	30/05/2024
D Simpson	Northumbria	14/03/2018	29/04/2024

Trustee Induction and Training

With the increasing size and complexity of The Police Children's Charity it is important that the Trustees have the necessary skills and experience to both fulfil their legal duties and ensure that the appropriate management and internal controls are in place for the Charities efficient running. The Trustees review both their membership and their performance regularly and training or professional advice is used as appropriate. On appointment, new Trustees have an induction meeting with the Chief Executive. This covers all the activities of the Charity, future strategy and their legal responsibilities and duties. An annual Trustee Training Day was run for the Trustees by an external trainer in June 2024. Further appropriate training is organised if required. The Charity appointed Patrick Cairns to the position of Chief Executive in June 2014. The Chief Executive is appointed to manage the day to day running of the organisation and provide support to the Trustees in the strategic direction. To discharge this function the CEO works closely with Peter Moore the Chief Finance Officer.

The Trustees have the following sub-committees to assist their operation:

Finance and Human Resources Committee
This sub-committee meets on a quarterly basis and oversees financial performance and human resources issues.

Investment Sub-Committee
This sub-committee meets twice a year to oversee the performance of the investment portfolio and its managers.

Public Benefit

The Police Children's Charity is a charity working for the children of police officers. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Trust's aims and objectives and in planning future activities.

All the charitable activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living. The Charity also supports children where the partner of a Police Officer has died. In 2021 the Charity introduced counselling and wellbeing grants to the children of serving officers who donate to the charity.

Our objects and funding limit the services we provide to serving and retired police officers in the North of England, North Wales, Northern Ireland and Scotland as well as British Transport Police, the Civil Nuclear Constabulary and the Ministry of Defence Police. The number of serving police officers in this catchment area is now approximately 66,000 and the number of police officers making the voluntary donation is around 26,200 (the number of retired police officers is likely to be similar). During 2024, the Charity supported 323 children within education and a further 70 within further education.

Further information about the direct beneficiaries of our services is provided in the Annual Report.

The Charity distributes grants to the families of children within education which is dependent on the weekly income of each household with each beneficiary allocated a weekly amount. The distribution of grants to children in higher education is not means tested with an annual grant to all those eligible of £1,500.

TRUSTEES REPORT
(Including Directors' Report and strategic Report) for the Year Ended 31 December 2024

Strategic Report

Financial and Operational Review 2024

The Police Children's Charity has posted financial results in line with predictions for 2024 despite difficult economic times together with wars in the Ukraine and the Middle East. In 2024 the Charity posted a surplus of £350,058 compared to a deficit £128,170 in 2023. The main reason for the surplus was a reduction in the provision for long term liabilities of £247,766 following the annual calculation of the provision required to support the beneficiaries through to the age of 25 together with not drawing down on the contingency fund. The Trust's investments increased by £1,467.016 which meant the net movement of funds for the year was a surplus of £1,817,074.

In January 2025 the eligibility was widened to include all Police staff. A number of staff signed up to the Charity which meant the overall number of donors year on year remained constant. This has been promoted throughout forces and the Charity will continue to do throughout 2025.

The Trustees took the decision in 2024 to increase the benefits available to beneficiaries by adding a birthday grant. This was set at £150 per child and is paid in the month of their birthday.

During 2024 the Charity worked with all Federations and Benevolent Funds to ensure those eligible were getting the support they deserved, this awareness will continue into 2025. The Trust continued to use testimonials to support its work which has a direct impact on encouraging officers to support the Charity.

The Trustees took the decision to use the property on Lascelles Road to benefit the children and young people by allowing the house to be used for holiday stays for beneficiaries and their families. The property continued to be used as a holiday let free to beneficiaries throughout 2024 with great success. This has continued into 2025 with all school holiday weeks now typically fully booked. As a result of the success the charity has an agreement with the Police Treatment Centres to rent its cottages to TPCC beneficiaries when not being used by patients.

Investment Income

There was a small decrease in investment income in 2024 from £718,517 to £716,707. The Charity took advantage of the higher interest rates to increase the interest it gained from Barclays and cash held in the Multi Asset Investment from £44,131 to £49,195.

Support Costs

The Trust does not directly employ staff but instead operates with a service level agreement with The Police Treatment Centres ("PTC") and is charged a management charge (note 6) to cover the management and administration of the Trust.

The Investment Policy

The Investment Policy agreed by the Board of Trustees is to increase income in line with inflation while preserving the real value of capital sums invested. The breakdown, nature of investments and Investment Policy has been agreed with the PTC Trustees' Investment Sub-Committee and the PTC Finance and Human Resources Committee. The Trustees have placed restrictions on the Investment Manager's authority and the Investment Policy will be continually monitored and reviewed at six-monthly intervals.

The portfolio is invested in a multi asset fund which is managed by Cazenove.

There was an unrealised profit of £1,467,016 on investments for 2024.

Reserves Policy

The Reserves Policy agreed by the Board of Trustees is to maintain available reserves of at least £3.6 million. The Charity requires this level of reserves because it does not have a guaranteed income and this represents the Charity's ability to maintain reserves to meet commitments to current beneficiaries without the need to raise additional funds. Currently the reserves, when based on the unrestricted assets less the unrestricted liabilities, means that the Trust has sufficient reserves to meet its long-term liabilities.

In addition, the Trustees recognise that the value of annual benefits disbursed to beneficiaries cannot be met by the value of annual officer donations alone, therefore they have also resolved to retain sufficient reserves to generate enough income through its investments to support the revenue budget and the disbursement of those monies to beneficiaries. The Reserves Policy will be continually monitored and reviewed on an annual basis.

Future Plans

The Charity has created a stable footing from which it can move forward and provide support to children who have a lost a parent throughout their education. The key objectives for 2025 are:

- To promote the changes agreed by the Trustees to all Police forces within our constituent forces;
- To continue its awareness campaign to increase the number of officers that are donating to the Charity; and
- To review the benefits available to beneficiaries.

Employees and Volunteers

The Trust does not employ anyone directly but has a Service Level Agreement with The Police Treatment Centres to manage the service.

Risk Management

The Trustees have a risk management strategy which comprises a quarterly review of the Risk Register by the Finance and Human Resources Committee and an annual review of any key risks to the Trust by the full Board. The strategy identifies and establishes systems and actions to mitigate those risks and implement procedures designed to minimise any potential impact on the Trust should those risks materialise. A register has been prepared covering significant risks using the accepted criteria of likelihood of occurrence and potential impact on the Trust's activities.

This register was prepared in conjunction with management of the PTC and is kept under review with a formal update being performed when required. Following a detailed analysis of the Trust's operations, key risks were documented and where necessary, plans to mitigate them have been introduced.

Post Balance Sheet Events

There were no material post balance sheet events up to the date of approval of the financial statements.

Trustees' Responsibilities

The Charity Trustees (who are also the Directors of The Police Children's Charity for the purposes of company law) are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and strategic Report)
for the Year Ended 31 December 2024

Company law requires the Trustees to prepare financial statements for the year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of the resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting 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 company will continue its business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

TC Group was appointed as statutory auditor for 3 years in 2021.

Statement of disclosure of information to auditor

The Trustees confirm that, at the date of the approval of these financial statements, so far as they are each aware:

- there is no relevant information of which the company's auditor is unaware; and
- they have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Trustees

R Wood (Chair of the Finance and Human Resources Committee)

Date: 01/05/2025

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

INDEPENDENT AUDITOR'S REPORT
for the Year Ended 31 December 2024

Opinion

We have audited the financial statements of The Police Children's Charity (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities (Incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (including the Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was capable of detecting irregularities, including fraud
The objectives of our audit, in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006), the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, corporation tax and employment tax legislation;
- We considered the nature of the industry, the control environment and business performance, including key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery,
collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect all non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https:// www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

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

TC Group

Mark Hunter FCA
Senior Statutory Auditor
TC Group
6 Queen Street
Leeds
LS1 2TW
Date: 26 May 2025

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 December 2024

Restricted Endowment	Notes	Unrestricted funds	Restricted funds	Endowment funds	Unrestricted 2024 Total	2023 Total
		£	£	£	£	£
Income from:						
Donations and legacies	2	493,233	-	-	**493,233**	491,358
Investments	3	765,902	-	-	**765,902**	762,647
Total income		1,259,135	-	-	**1,259,135**	1,254,005
Expenditure on:						
Raising funds	4	34,347	-	23,177	**57,524**	70,190
Charitable activities	5	851,553	-	-	**851,553**	1,311,985
Total expenditure		885,900	-	23,177	**909,077**	1,382,175
Net gains/(losses) on investments	11	832,228	-	634,788	**1,467,016**	231,506
Net income/(expenditure)		1,205,463	-	611,611	**1,817,074**	103,336
Net movement in funds		1,205,463	-	611,611	**1,817,074**	103,336
Reconciliation of funds						
Total funds brought forward		7,432,231	-	6,970,655	**14,402,886**	14,299,550
Total funds carried forward		8,637,694	-	7,582,266	**16,219,960**	14,402,886

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net surplus for the year of £350,058 (2023: deficit of £128,170) plus the net unrealised gain on investments of £1,467,016 (2023: gain of £231,506), amounting to a surplus of £1,817,074 (2023: £103,336).

The notes on pages 23 to 34 form an integral part of these financial statements

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

BALANCE SHEET
for the Year Ended 31 December 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	10		**348,404**		356,220
Investments	11		**19,055,871**		17,385,025
			19,404,275		17,741,245
Current assets					
Debtors	12	**121,196**		147,440	
Cash at bank and in hand	21	**377,688**		479,126	
		498,884		626,566	
Liabilities					
Creditors: amounts falling due within one year	13	**(94,625)**		(128,585)	
Net current assets			**404,259**		497,981
Total assets less current liabilities			**19,808,534**		18,239,226
Provisions for liabilities	14		**(3,588,574)**		(3,836,340)
Total net assets			**16,219,960**		14,402,886
The funds of the charity					
Unrestricted funds	16		**8,637,694**		7,432,231
Endowment funds	17		**7,582,266**		6,970,655
Total charity funds			**16,219,960**		14,402,886

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

and signed on its behalf by:



.....

R Wood
Trustee

The notes on pages 23 to 34 form an integral part of these financial statements

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

CASH FLOW STATEMENT
for the Year Ended 31 December 2024

	Notes	2024 £	2023 £
Cash flow from operating activities	20	**(663,510)**	(637,260)
Net cash flow from operating activities		**(663,510)**	(637,260)
Cash flow from investing activities			
Purchase of investments	11	-	-
Dividends and interest received		**765,902**	762,647
Net cash flow from investing activities		**765,902**	762,647
Net (decrease) / increase in cash and cash equivalents		**102,392**	125,387
Cash and cash equivalents at start of period		**1,344,619**	1,219,232
Cash and cash equivalents at end of period	21	**1,447,011**	1,344,619

The closing cash balance represents the net funds of the Charity.

NOTES TO FINANCIAL STATEMENTS
for the Year Ended 31 December 2024

1. Summary of significant accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 General information and basis of preparation

The Police Children's Charity is a company limited by guarantee incorporated in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The charity's activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice (GAAP).

Assets and liabilities

The charitable company commenced trade on 1 January 2013. The charitable company has obtained a linking order with St George's Police Trust (Charity Number 1147445-1).

The Police Children's Charity is considered to be the Reporting Charity for the two organisations.

On 1 January 2013 the trade and assets not restricted by a permanent endowment, of the St George's Police Trust were transferred to The Police Children's Charity at fair market value (where the Trustees have assessed fair market value as being equal to book value). The fair market value of this transfer totalled £3,943,863.

The remaining assets of the St George's Police Trust have been accounted for as a restricted branch within the permanent endowment fund. Subsequent transactions have been recognised within the permanent endowment fund in accordance with the requirements of the SORP and the Charities Act 2011.

The nature of these transactions and the linking order are considered to represent a group restructuring exercise. As such merger accounting has been used to reflect the transaction as it meets the criteria for such accounting under Financial Reporting Standard 102 and the SORP 2019.

Due to the strong position of the balance sheet and level of liquid resources, the Trustees have identified no material uncertainties that may cast significant doubt over the ability of the charity to continue as a going concern.

1.2 Fund accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the Trustees for specific purposes.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds are those donated whereby the fund cannot be used as if it were income. Subsequently the fund represents an investment in capital that is utilised in achieving the charity's objectives.

Income generated by the endowment fund will be recognised within unrestricted income funds whilst the capital gains and losses and the cost incurred in maintaining and safeguarding the capital will be credited/charged against the endowment fund.

1.3 Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and receipt is probable. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that receipt is probable, the amount involved can be quantified and the charity is entitled to the income.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are part of support costs and are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost. All items of a capital nature over £1,000 are included at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	- 2% straight line
Freehold land	- not depreciated
Fixtures, fittings and equipment	- 25% straight line

1.6 Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

1.7 Grants

Grants payable are accounted for on an accruals basis and in accordance with FRS 102 to the extent that, where a constructive obligation to continue payments to existing recipients is considered to exist, as a result of a past event, full provision is made for the total expected future payments to be made, discounted to reflect inflation. Grants are paid in line with the objects of the Trust which are to benefit the children of police officers (serving and retired) whose parent is either dead or incapacitated from earning a living.

1.8 Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past events.

1.9 Debtors and creditors receivable / payable within one year

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

1.10 Current asset investments

Funds held on deposit and classified as current asset investments are stated at market value at the balance sheet date. Any difference between cost and market value is adjusted for through the Statement of Financial Activities.

1.11 Taxation

The Charity is exempt from tax on income and gains falling within sections 472-489 of the Corporation Tax Act 2011 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Provisions for future grant obligations

The charity makes a provision in respect of its obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. The key assumptions used in calculating the required provision are reviewed annually and adjusted where necessary to reflect changes in economic conditions and the circumstances of the grant recipients. The carrying value of the provision for future grant payments is detailed in note 14 to the financial statements.

Income recognition

The financial statements include accrued income of £44,525 (2023: £68,853) in respect of management's estimate of officers donations pledged but not yet remitted to the organisation as at the reporting date. The amount of income due is calculated based on management's estimate of the number of officers donating. The differences between expected income and amounts remitted in the period are recognised as accrued income.

2. Income from donations and legacies

	Unrestricted funds £	Endowment funds £	2024 Total £	2023 Total £
Donations	15,442	-	**15,442**	13,396
Officers donations	477,791	-	**477,791**	477,962
	493,233	-	**493,233**	491,358

All income from donations and legacies was attributable to unrestricted funds in both reporting periods.

3. Investment income

	Unrestricted funds £	Endowment funds £	2024 Total £	2023 Total £
Income from UK listed investments	716,707	-	**716,707**	718,517
Bank interest receivable	49,195	-	**49,195**	44,131
	765,902	-	**765,902**	762,647

All income from investments was attributable to unrestricted funds in both reporting periods.

4. Expenditure on raising funds

	Unrestricted funds £	Endowment funds £	2024 Total £	2023 Total £
Investment management fees	34,347	23,177	**57,524**	70,190
	34,347	23,177	**57,524**	70,190

Expenditure on raising funds was £57,524 (2023: £70,190) of which £23,177 (2023: £31,347) was attributable to endowment and £34,347 (2023: £38,843) was attributable to unrestricted funds.

5. Expenditure on charitable activities

	Activities undertaken directly £	Support costs £	2024 Total £	2023 Total £
Grant making – unrestricted	541,648	302,583	**844,231**	1,305,965
Governance costs (note 6)	-	7,322	**7,322**	6,020
	541,648	309,905	**851,553**	1,311,985

All expenditure on charitable activities was attributable to unrestricted funds in both reporting periods.

Grants are paid to benefit the children of police officers (serving or retired) whose parent is either dead or incapacitated from earning a living.

Support costs include the management charge of £270,000 (2023: £270,000) from The Police Treatment Centres (see note 18) which covers personnel and establishment costs.

The cost of charitable activities above reflects the movement in the assessment of the provision for future liabilities (see note 14) which is itself dependent on the grants made and financial circumstances of the grant beneficiary.

6. Analysis of support costs

	General support costs £	Governance costs £	2024 Total £	2023 Total £
Management charge – Police Treatment Centres	270,000	-	**270,000**	270,000
Communication and Information Technology	3,013	-	**3,013**	1,750
Other office expenses	20,666	-	**20,666**	24,385
Depreciation – owned assets	8,904	-	**8,904**	8,904
Legal and other professional fees	-	-	**-**	-
Auditor's remuneration	-	7,322	**7,322**	6,020
Other	-	-	**-**	-
	302,583	7,322	**309,905**	311,059

7. Net income/(expenditure) for the year

	2024 £	2023 £
Net income/(expenditure) is stated after charging:		
Depreciation – owned assets	**8,904**	8,905
Auditor's remuneration	**7,322**	6,020

8. Employees

	2024 £	2023 £
Management charge	-	-

No employees received emoluments of more than £60,000 in the year (2023: None).

All personnel costs are borne by The Police Treatment Centres and are included in the management charge of £270,000 (2023: £270,000) for the year. The management charge covers establishment costs, legal and professional fees, the costs of The Police Children's Charity Benefits Review as well as personnel costs.

9. Trustees' emoluments

No Trustees received remuneration from the charity during the year (2023: None). In addition, no Trustees received expenses from the charity during the year (2023: None).

10. Tangible fixed assets

	Fixtures, fittings and equipment £	Freehold land and buildings £	Total £
Cost			
At 1 January 2024	5,093	445,273	**450,366**
Additions	1,088	-	1,088
At 31 December 2024	6,181	445,273	**451,454**
Depreciation			
At 1 January 2024	5,093	89,053	**94,146**
Charge for the year	-	8,904	**8,904**
At 31 December 2024	5,093	97,957	**103,050**
Net book values			
At 31 December 2023	-	356,220	**356,220**
At 31 December 2024	1,088	347,316	**348,404**

11. Fixed asset investments

	Endowed listed investments £	Unrestricted listed investments £	Endowment cash held as part of investment portfolio £	Unrestricted cash held as part of investment portfolio £	Total £
Valuation					
As at 1 January 2024	7,173,303	9,346,229	(202,648)	1,068,141	**17,385,025**
Management fees	-	-	(23,177)	(34,347)	**(57,524)**
Distributions received	-	-	-	716,707	**716,707**
Interest	-		-	44,647	**44,647**
Transfers	-	-	-	-	**-**
Withdrawals	-	-	-	(500,000)	**(500,000)**
Equalisation	-	-	-	-	**-**
Revaluation	634,788	832,228	-		**1,467,016**
As at 31 December 2024	7,808,091	10,178,457	(225,825)	1,295,148	**19,055,871**
Historic cost at 31 December 2024	5,596,500	7,291,783	(253,932)	1,238,789	13,873,140

All investments are held in the UK.

If a decision were taken to dispose of unrestricted investments at a future date to fund charitable expenditure, legal advice and regulatory consultation would be sought to ensure no liens are held over the assets.

Under the terms of the Endowment fund there is no restriction upon the transfer of income generated. As such, any income generated by the Endowed investments are added to the Unrestricted investments.

12. Debtors

	2024 £	2023 £
Prepayments and accrued income	**121,196**	147,440
	121,196	147,440

13. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade Creditors	**371**	151
The Police Treatment Centres current account	**70,871**	61,496
Accruals and deferred income	**23,383**	66,965
	94,625	128,585

14. Provisions for liabilities

	2024 £	2023 £
At 1 January in year	**3,836,340**	3,632,935
Utilised in the year	(789,414)	(592,664)
Charge for the year	541,648	796,069
At 31 December in year	**3,588,574**	3,836,340

The provision relates to the obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. The amount of the provision estimated to be payable in one year is £789,414 (2023: £592,664).

15. Analysis of net assets between funds

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Fund balances at 31 December 2024 as represented by:				
Tangible assets	-	-	348,404	**348,404**
Investment assets	7,582,266	-	11,473,605	**19,055,871**
Current assets	-	-	498,884	**498,884**
Current liabilities	-	-	(94,625)	**(94,625)**
Long-term liabilities	-	-	(3,588,574)	**(3,588,574)**
	7,582,266	-	8,637,694	**16,219,960**

16. Unrestricted funds

	At 1 January 2024 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2024 £
General fund	7,432,231	1,259,135	(885,900)	832,228	**8,637,694**

Purposes of unrestricted funds

The general fund is for the payment of grants to orphaned children of police officers and children of officers that have been incapacitated to help with their maintenance whilst in full time education.

17. Permanent Endowment funds

	At 1 January 2024 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2024 £
Investments	6,970,655	-	(23,176)	634,788	7,582,266

Purpose of endowment funds

The endowment fund was donated to ensure the charity had sufficient assets to achieve its charitable objectives.

18. Related party transactions

The Trust operates from the premises of The Police Treatment Centres. All personnel costs are paid by this charity. A management charge of £270,000 (2023: £270,000) has been charged by The Police Treatment Centres to the Trust.

At 31 December 2024, £70,871 (2023: £61,469) was owed to The Police Treatment Centres in respect of its current account with the Trust.

19. Indemnity insurance

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect or defaults of Trustees or staff and any consequent loss.

20. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income / (expenditure) for year	**1,817,074**	103,336
Depreciation and impairment of tangible fixed assets	**8,904**	8,905
(Gains) / losses on investments	**(1,467,016)**	(231,417)
Interest and dividends received	**(766,990)**	(762,647)
Increase / (decrease) in provisions (net of payments)	**(247,766)**	203,406
Decrease / (increase) in debtors	**26,244**	(13,096)
Increase / (decrease) in creditors	**(33,960)**	54,253
Net cash outflow from operating activities	**(663,510)**	(637,260)

21. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	**377,688**	479,126
Cash held in investment portfolio (note 11)	**1,069,323**	865,493
Net cash	**1,447,011**	1,344,619

22. Financial instruments

The carrying amounts of the Charity's financial instruments are as follows:

	2024 £	2023 £
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset listed investments (note 11)	**19,055,871**	17,385,025

22. Financial instruments (continued)

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

	2024 £	2023 £
Income and expense		
Financial assets measured at fair value through net income / expenditure	**716,707**	718,517
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income / expenditure	**1,467,016**	231,506

The Police Children's Charity

Providing a helping hand if the unimaginable happens

The Police Children's Charity
St Andrews, Harlow Moor Road, Harrogate,
North Yorkshire HG2 0AD
Tel: 01423 504448

Email: enquiries@thepolicechildrenscharity.org
fundraising@thepolicechildrenscharity.org

@policechildrens

Website: www.thepolicechildrenscharity.org

Registered Charity No. 1147445 **OSCR Registration No.** SC043652
Company No. 07822521

The Police Children's Charity

England & Wales - Charity number 1147445

Accounts

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

FOR

THE POLICE CHILDREN'S CHARITY

Charity Number: 1147445
Scottish Charity Number: SC043652
Company Number: 07822521



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Welcome from our Chair, Liam Kelly



The Police Children's Charity exists to support donating Police Families across the United Kingdom in times of need. It primarily supports and benefits children & young people not only when parental bereavement occurs, but also in ill health retirement cases where reduced income could have a detrimental impact.

During 2022 we implemented two new grants for Serving Officers with significant increase in applications during 2023 as awareness increases.

During 2023 we approved an additional birthday grant which commences in January 2024 adding to an already comprehensive support package.

In my role as Chair over the last five years I have been humbled by the support and assistance we have been able to provide to Police Families when they are in most need. To remain fit for purpose, the Charity will continue to evolve and reflect the changing world of policing. In 2024 the Charity will extend its eligibility to all police staff. This is a positive step in making the Charity fully inclusive within policing.

Being unable to positively intervene because there was no donor in the family is both frustrating and heart-breaking. Therefore, I would ask that awareness of what this Charity provides is promoted and would encourage all those eligible to consider becoming a donor.

New Support Available

The Police Children's Charity

Birthday Grants

A new birthday grant of £150 per child will be given to all eligible Beneficiaries from January 2024.

Police Staff

From January 2024, The Police Children's Charity extended its eligibility to all Police Staff. We believe that this extension of support recognises the changing landscape of modern policing and truly supports all of our constituent forces.

Retired Officer Eligibility

From January 2023, Retired Officers who had not previously donated to The Police Children's Charity during their career, became eligible to sign-up and, after an initial 12 month period, had full access to benefits when needed for any children still within the age range covered by the Charity.

Providing a helping hand if the unimaginable happens

The Police Children's Charity is a registered Charity which provides support to Police Families by helping to ease the financial pressures of bringing up children in the face of life-changing circumstances.

These circumstances could include the loss of either parent (whether or not they are a Serving or Retired Police role) or when the Police parent is unable to earn an income due to injury or illness, sustained on or off duty, or when a child is struggling as a result of mental health challenges.

Support from the Charity can provide a degree of financial certainty in difficult times and is provided for on or off duty incidents to families of forces in the North of England, North Wales, Northern Ireland and Scotland who donate to the Charity.

Our Vision

Our Vision is to create an environment where The Police Children's Charity Beneficiary families are free of financial cares and concerns.

Our Mission Statement

To provide present and future financial and other support to The Police Children's Charity Beneficiaries.

Our Values

- Always put our Beneficiaries at the heart of our work.
- Actively seek out new Beneficiaries.
- Continue to support all Beneficiaries in an open and transparent way.
- Deal with all new and existing applications in a sensitive manner.

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

FOR

THE POLICE CHILDREN'S CHARITY

Charity Number: 1147445
Scottish Charity Number: SC043652
Company Number: 07822521

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

Charity Number:	1147445
Scottish Charity Number:	SC043652
Company Number:	07822521
Business Address:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Registered Office:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Auditor:	TC Group Registered Auditors 6 Queen Street Leeds LS1 2TW
Bankers:	Barclays Bank Plc 25 James Street Harrogate HG1 1QX
Investment Advisors:	Cazenove Capital Management 12 Moorgate London EC2R 6DA

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and strategic Report)
for the Year Ended 31 December 2023

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, submit their Annual Report and audited accounts for The Police Children's Charity (the Company) for the year ended 31 December 2023. The Trustees confirm that the Annual Report and financial statements comply with current statutory requirements. The principal site and registered office for the Charity is St Andrews, Harlow Moor Road, Harrogate, HG2 0AD.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Police Children's Charity was registered as an incorporated charity on 25 October 2011 and commenced trading on 1 January 2013. On 1 January 2013 the trade and assets not restricted by permanent endowment of the St George's Police Trust (SGPT) were transferred to the St George's Police Children Trust at fair market value. The St George's Police Children Trust has been granted a linking order between the two Charities to enable consolidated accounts to be prepared. The St George's Police Children Trust therefore acts as the corporate Trustee of the existing charity, the St George's Police Trust. The St George's Police Trust remains registered with the charities commission (1147445-1). The governing documents were last reviewed on the 8 August 2016. In January 2022 the Charity changed its trading name to the Police Children's Charity.

The Company is registered as a charitable company limited by guarantee, registered Charity Commission number 1147445 and OSCR SC043652, and was set up by a Trust deed and is governed by the Memorandum and Articles of Association.

The principal objective of The Police Children's Charity is contained in the Memorandum and Articles of Association as follows:

I. The Charity's objects are specifically restricted to the relief of those in need by reason of ill-health, disability, financial hardship or other disadvantage for the public benefit in particular but not limited to support children and young people up to the age 25 where a parent who is, or was, a serving officer, has died or has become incapacitated in some way that affects earning capability. The eligibility was extended in 2019 to cover the death of a Police Officer's partner. From 2021 the Charity will also provide counselling and wellbeing grants to the children of serving officers who donate to the charity.

Organisational Structure

The Charity is run by Trustees (Directors of the Company) who are elected from the following organisations:

I. Six Trustees appointed by the National Police Chiefs' Council of England, Wales and Northern Ireland (NPCC);

ii. One Trustee appointed by the Scottish Chief Police Officers' Staff Association (SCPOSA);

iii. Two Trustees appointed by the Police Superintendents' Association of England and Wales (PSAEW);

iv. One Trustee appointed by the Association of Scottish Police Superintendents (ASPS);

v. One Trustee appointed by the Superintendents' Association of Northern Ireland (SANI);

Organisational Structure (continued)

vi. Six Trustees appointed by the Police Federation of England and Wales (PFEW)

vii. Three Trustees appointed by the Scottish Police Federation (SPF);

viii. One Trustee appointed jointly by the Police Federations of the British Transport Police, Civil Nuclear Constabulary and the Ministry of Defence Police;

ix. Three Trustees appointed by the Police Federation of Northern Ireland (PFNI); and

x. Up to six Co-Opted Trustees at any one time who are appointed by the Trustees.

The Charity amended its articles which were approved In March 2022 to remove the rank from the federation representatives to enable the appointment of the trustee who has the best skills to deliver the aims of the Charity

Organisational Structure (continued)

The current membership is as follows:

Name	Force	Appointment Date TPCC	Termination Date
L Kelly (Chair)	Police Service of Northern Ireland	09/04/2015	
R Wood (Vice chair)	Police Service of Scotland	08/04/2021	
C Bentley	West Yorkshire	28/06/2023	
M Davis	Co-opted	19/05/2017	
A Freeburn	Police Service of Scotland	03/04/2024	
M Hamilton	Co-opted	19/02/2024	
R Hay	Police Service of Scotland	18/10/2022	
C Irvine	Durham	25/01/2022	
B Jones	Police Service of Scotland	16/02/2022	
S Kennedy	Merseyside	24/11/2022	
A Lees	Co-Opted (NARPO)	02/08/2016	
M Marshallsay	British Transport Police	01/09/2022	
G McGrath	Police Service of Northern Ireland	31/07/2023	
K Meynell	Derbyshire	25/04/2022	
R Murray	Cleveland	01/01/2022	
L Poultney	South Yorkshire	18/01/2024	
T Purcell	Police Service of Northern Ireland	16/07/2018	
J Robins	West Yorkshire	16/06/2016	
A Shaw	Police Service of Scotland	12/07/2022	
D Simpson	Northumbria Police	14/03/2018	
J Skelton	Nottinghamshire	12/05/2016	
E Aldred	North Yorkshire	07/12/2021	16/03/2023
R Dutton	Co-opted	21/11/2013	22/01/2024
A Grandison (Vice Chair)	West Yorkshire	22/09/2014	31/12/2023
I Magee	Police Service of Northern Ireland	16/03/2022	05/05/2023
D Murphy	Police Superintendents' Association	02/11/2017	14/02/2024
L Winward	North Yorkshire	21/07/2016	31/12/2023

Trustee Induction and Training

With the increasing size and complexity of The Police Children's Charity it is important that the Trustees have the necessary skills and experience to both fulfil their legal duties and ensure that the appropriate management and internal controls are in place for the Charities efficient running. The Trustees review both their membership and their performance regularly and training or professional advice is used as appropriate. On appointment, new Trustees have an induction meeting with the Chief Executive. This covers all the activities of the Charity, future strategy and their legal responsibilities and duties. An annual Trustee Training Day was run for the Trustees by an external trainer in June 2023. Further appropriate training is organised if required. The Charity appointed Patrick Cairns to the position of Chief Executive in June 2014. The Chief Executive is appointed to manage the day to day running of the organisation and provide support to the Trustees in the strategic direction. To discharge this function the CEO works closely Peter Moore the Chief Finance Manager, Andy Malcolm Executive Officer Scotland and Fiona Warrington the Human Resources Manager.

The Trustees have the following sub-committees to assist their operation:

Finance and Human Resources Committee
This sub-committee meets on a quarterly basis and oversees financial performance and human resources issues.

Investment Sub-Committee
This sub-committee meets twice a year to oversee the performance of the investment portfolio and its managers.

Public Benefit

The Police Children's Charity is a charity working for the children of police officers. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Trust's aims and objectives and in planning future activities.

All the charitable activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living. The Charity also supports children where the partner of a Police Officer has died. In 2021 the Charity introduced counselling and wellbeing grants to the children of serving officers who donate to the charity

Our objects and funding limit the services we provide to serving and retired police officers in the North of England, North Wales, Northern Ireland and Scotland as well as British Transport Police, the Civil Nuclear Constabulary and the Ministry of Defence Police. The number of serving police officers in this catchment area is now approximately 67,000 and the number of police officers making the voluntary donation is around 26,200 (the number of retired police officers is likely to be similar). During 2023, the Charity supported 303 children within education and a further 63 within further education.

Further information about the direct beneficiaries of our services is provided in the Annual Report.

The Trust distributes grants to the families of children within education which is dependent on the weekly income of each household with each beneficiary allocated a weekly amount. The distribution of grants to children in higher education is not means tested with an annual grant to all those eligible of £1,500.

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and strategic Report)
for the Year Ended 31 December 2023

Strategic Report

Financial and Operational Review 2023

The Police Children's Charity has posted financial results in line with predictions for 2023 despite difficult economic times, a war in Ukraine and the reduction in police officer numbers donating. During 2023 West Mercia sadly decided to withdraw from the Charity reducing the income but more importantly denying their officers access to financial support. In 2023 the Charity posted a deficit of £128,170 compared to a surplus £371,755 in 2022. The main reason for the surplus was a increase in the provision for long term liabilities of £203,405 following the annual calculation of the provision required to support the beneficiaries through to the age of 25 together with not drawing down on the contingency fund. The Trust's investments increased by £231,416 which meant the net movement of funds for the year was a surplus of £103,336.

During 2023 the Charity worked with all Federations and Benevolent Funds to ensure those eligible were getting the support they deserved, this awareness will continue into 2024. The Trust continued to use testimonials to support its work which has a direct impact on encouraging officers to support the Charity.

The Trustees took the decision to use the property on Lascelles Road to benefit the children and young people by allowing the house to be used for holiday stays for beneficiaries and their families. The property continued to be used as a holiday let free to beneficiaries throughout 2023 with great success. This has continued into 2024 with all school holiday weeks now typically fully booked. As a result of the success the charity has an agreement with the Police Treatment Centres to rent its cottages to TPCC beneficiaries when not being used by patients.

Investment Income

There was a small increase in investment income in 2023 from £712,227 to £718,517. The Charity took advantage of the higher interest rates to increase the interest it gained from Barclays from £9,210 to £44,131.

Support Costs

The Trust does not directly employ staff but instead operates with a service level agreement with The Police Treatment Centres ("PTC") and is charged a management charge (note 6) to cover the management and administration of the Trust.

The Investment Policy

The Investment Policy agreed by the Board of Trustees is to increase income in line with inflation while preserving the real value of capital sums invested. The breakdown, nature of investments and Investment Policy has been agreed with the PTC Trustees' Investment Sub-Committee and the PTC Finance and Human Resources Committee. The Trustees have placed restrictions on the Investment Manager's authority and the Investment Policy will be continually monitored and reviewed at six-monthly intervals.

The portfolio is invested in a multi asset fund which is managed by Cazenove.

There was an unrealised profit of £231,506 on investments for 2023.

Reserves Policy

The Reserves Policy agreed by the Board of Trustees is to maintain available reserves of at least £3.8 million. The Trust requires this level of reserves because it does not have a guaranteed income and this represents the Trust's ability to maintain reserves to meet commitments to current beneficiaries without the need to raise additional funds. Currently the reserves, when based on the unrestricted assets less the unrestricted liabilities, means that the Trust has sufficient reserves to meet its long-term liabilities.

In addition, the Trustees recognise that the value of annual benefits disbursed to beneficiaries cannot be met by the value of annual officer donations alone, therefore they have also resolved to retain sufficient reserves to generate enough income through its investments to support the revenue budget and the disbursement of those monies to beneficiaries. The Reserves Policy will be continually monitored and reviewed on an annual basis.

Future Plans

The Charity has created a stable footing from which it can move forward and provide support to children who have a lost a parent throughout their education. The key objectives for 2024 are:

- To enhance the name change and rebrand amongst forces.
- To promote the changes agreed by the Trustees to all Police Officers within our constituent forces;
- To implement the additional benefit of a birthday gift for all children under the age of 18 of £150
- To continue its awareness campaign to increase the number of officers that are donating to the Charity; and
- To review the benefits available to beneficiaries.

Employees and Volunteers

The Trust does not employ anyone directly but has a Service Level Agreement with The Police Treatment Centres to manage the service.

Risk Management

The Trustees have a risk management strategy which comprises a quarterly review of the Risk Register by the Finance and Human Resources Committee and an annual review of any key risks to the Trust by the full Board. The strategy identifies and establishes systems and actions to mitigate those risks and implement procedures designed to minimise any potential impact on the Trust should those risks materialise. A register has been prepared covering significant risks using the accepted criteria of likelihood of occurrence and potential impact on the Trust's activities.

This register was prepared in conjunction with management of the PTC and is kept under review with a formal update being performed when required. Following a detailed analysis of the Trust's operations, key risks were documented and where necessary, plans to mitigate them have been introduced.

Post Balance Sheet Events

There were no material post balance sheet events up to the date of approval of the financial statements.

Trustees' Responsibilities

The Charity Trustees (who are also the Directors of The Police Children's Charity for the purposes of company law) are responsible for preparing a Trustees' Annual Report and 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 the year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of the resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting 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 company will continue its business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

TC Group was appointed as statutory auditor on 25th July 2022 and has indicated its willingness to continue in office.

Statement of disclosure of information to auditor

The Trustees confirm that, at the date of the approval of these financial statements, so far as they are each aware:

- there is no relevant information of which the company's auditor is unaware; and
- they have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Trustees



R Wood (Chair of the Finance and Human Resources Committee)

Date: 02/05/2024

Opinion

We have audited the financial statements of The Police Children's Charity (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (including the Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was capable of detecting irregularities, including fraud
The objectives of our audit, in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to

fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006), the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, corporation tax and employment tax legislation;
- We considered the nature of the industry, the control environment and business performance, including key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery,
collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect all non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

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

Peter Hart FCA
Senior Statutory Auditor
TC Group
6 Queen Street
Leeds
LS1 2TW

Date: 9 May 2024

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2023

		Unrestricted funds	Restricted funds	Endowment funds	2023 Total	2022 Total
	Notes	**£**	**£**	**£**	**£**	**£**
Income from:						
Donations and legacies	2	491,358	-	-	**491,358**	520,854
Investments	3	762,647	-	-	**762,647**	721,437
Total Income		1,254,005	-	-	**1,254,005**	1,242,291
Expenditure on:						
Raising funds	4	38,843	-	31,347	**70,190**	76,091
Charitable activities	5	1,311,985	-	-	**1,311,985**	794,445
Total expenditure		1,350,828	-	31,347	**1,382,175**	870,536
Net gains/(losses) on investments	11	131,018	-	100,448	**231,506**	(1,895,829)
Net income/(expenditure)		34,195	-	69,141	**103,336**	(1,524,074)
Net movement in funds		34,195	-	69,141	**103,336**	(1,524,074)
Reconciliation of funds						
Total funds brought forward		7,398,036	-	6,901,514	**14,299,550**	15,823,624
Total funds carried forward		7,432,231	-	6,970,655	14,402,886	14,299,550

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net deficit for the year of £128,170 (2022: surplus of £371,755) plus the net unrealised gain on investments of £231,506 (2022: loss of £1,895,829), amounting to a deficit/surplus of £103,336 (2022: deficit of £1,524,074).

The notes on pages 17 to 28 form an integral part of these financial statements

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

BALANCE SHEET
for the Year Ended 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	10		**356,220**		365,126
Investments	11		**17,385,025**		16,968,158
			17,741,245		17,333,284
Current assets					
Debtors	12	**147,440**		134,344	
Cash at bank and in hand	21	**479,126**		539,190	
		626,566		723,534	
Liabilities					
Creditors: amounts falling due within one year	13	**(128,585)**		(74,333)	
Net current assets			**497,981**		599,201
Total assets less current liabilities			**18,239,226**		17,932,485
Provisions for liabilities	14		**(3,836,340)**		(3,632,935)
Total net assets			**14,402,886**		14,299,550
The funds of the charity					
Unrestricted funds	16		**7,432,231**		7,398,036
Endowment funds	17		**6,970,655**		6,901,514
Total charity funds			**14,402,886**		14,299,550

The financial statements were approved by the Trustees and authorised for issue on ..02/05/2024..

and signed on its behalf by:

R Wood
Trustee

The notes on pages 17 to 28 form an integral part of these financial statements

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

CASH FLOW STATEMENT
for the Year Ended 31 December 2023

	Notes	2023 £	2022 £
Cash flow from operating activities	20	**(637,260)**	(640,625)
Net cash flow from operating activities		**(637,260)**	(640,625)
Cash flow from investing activities			
Purchase of investments	11	-	-
Dividends and interest received		**762,647**	721,437
Net cash flow from investing activities		**762,647**	721,437
Net (decrease) / increase in cash and cash equivalents		**125,387**	80,812
Cash and cash equivalents at start of period		**1,219,232**	1,138,420
Cash and cash equivalents at end of period	21	**1,344,619**	1,219,232

The closing cash balance represents the net funds of the Charity.

NOTES TO FINANCIAL STATEMENTS
for the Year Ended 31 December 2023

1. Summary of significant accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 General information and basis of preparation

The Police Children's Charity is a company limited by guarantee incorporated in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The charity's activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice (GAAP).

Assets and liabilities

The charitable company commenced trade on 1 January 2013. The charitable company has obtained a linking order with St George's Police Trust (Charity Number 1147445-1).

The Police Children's Charity is considered to be the Reporting Charity for the two organisations.

On 1 January 2013 the trade and assets not restricted by a permanent endowment, of the St George's Police Trust were transferred to The Police Children's Charity at fair market value (where the Trustees have assessed fair market value as being equal to book value). The fair market value of this transfer totalled £3,943,863.

The remaining assets of the St George's Police Trust have been accounted for as a restricted branch within the permanent endowment fund. Subsequent transactions have been recognised within the permanent endowment fund in accordance with the requirements of the SORP and the Charities Act 2011.

The nature of these transactions and the linking order are considered to represent a group restructuring exercise. As such merger accounting has been used to reflect the transaction as it meets the criteria for such accounting under Financial Reporting Standard 102 and the SORP 2019.

Due to the strong position of the balance sheet and level of liquid resources, the Trustees have identified no material uncertainties that may cast significant doubt over the ability of the charity to continue as a going concern.

1.2 Fund accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the Trustees for specific purposes.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds are those donated whereby the fund cannot be used as if it were income. Subsequently the fund represents an investment in capital that is utilised in achieving the charity's objectives.

Income generated by the endowment fund will be recognised within unrestricted income funds whilst the capital gains and losses and the cost incurred in maintaining and safeguarding the capital will be credited/charged against the endowment fund.

1.3 Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and receipt is probable. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that receipt is probable, the amount involved can be quantified and the charity is entitled to the income.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are part of support costs and are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost. All items of a capital nature over £1,000 are included at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	- 2% straight line
Freehold land	- not depreciated
Fixtures, fittings and equipment	- 25% straight line

1.6 Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

1.7 Grants

Grants payable are accounted for on an accruals basis and in accordance with FRS 102 to the extent that, where a constructive obligation to continue payments to existing recipients is considered to exist, as a result of a past event, full provision is made for the total expected future payments to be made, discounted to reflect inflation. Grants are paid in line with the objects of the Trust which are to benefit the children of police officers (serving and retired) whose parent is either dead or incapacitated from earning a living.

1.8 Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past events.

1.9 Debtors and creditors receivable / payable within one year

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

1.10 Current asset investments

Funds held on deposit and classified as current asset investments are stated at market value at the balance sheet date. Any difference between cost and market value is adjusted for through the Statement of Financial Activities.

1.11 Taxation

The Charity is exempt from tax on income and gains falling within sections 472-489 of the Corporation Tax Act 2011 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Provisions for future grant obligations

The charity makes a provision in respect of its obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. The key assumptions used in calculating the required provision are reviewed annually and adjusted where necessary to reflect changes in economic conditions and the circumstances of the grant recipients. The carrying value of the provision for future grant payments is detailed in note 14 to the financial statements.

Income recognition

The financial statements include accrued income of £68,853 (2022: £57,450) in respect of management's estimate of officers donations pledged but not yet remitted to the organisation as at the reporting date. The amount of income due is calculated based on management's estimate of the number of officers donating. The differences between expected income and amounts remitted in the period are recognised as accrued income.

2. Income from donations and legacies

	Unrestricted funds £	Endowment funds £	2023 Total £	2022 Total £
Donations	13,396	-	**13,396**	18,432
Officers donations	477,962	-	**477,962**	502,422
	491,358	-	**491,358**	520,854

All income from donations and legacies was attributable to unrestricted funds in both reporting periods.

3. Investment income

	Unrestricted funds £	Endowment funds £	2023 Total £	2022 Total £
Income from UK listed investments	718,517	-	**718,517**	712,227
Bank interest receivable	44,131	-	**44,131**	9,210
	762,647	-	**762,647**	721,437

All income from investments was attributable to unrestricted funds in both reporting periods.

4. Expenditure on raising funds

	Unrestricted funds £	Endowment funds £	2023 Total £	2022 Total £
Investment management fees	38,843	31,347	**70,190**	76,091
	38,843	31,347	**70,190**	76,091

Expenditure on raising funds was £70,190 (2022: £76,091) of which £31,347 (2022: £33,041) was attributable to endowment and £38,843 (2022: £43,050) was attributable to unrestricted funds.

5. Expenditure on charitable activities

	Activities undertaken directly £	Support costs £	2023 Total £	2022 Total £
Grant making – unrestricted	1,000,925	305,040	**1,305,965**	788,426
Governance costs (note 6)	-	6,020	**6,020**	6,019
	1,000,925	6,020	**1,311,985**	794,445

All expenditure on charitable activities was attributable to unrestricted funds in both reporting periods.

Grants are paid to benefit the children of police officers (serving or retired) whose parent is either dead or incapacitated from earning a living.

Support costs include the management charge of £270,000 (2022: £270,000) from The Police Treatment Centres (see note 18) which covers personnel and establishment costs.

The cost of charitable activities above reflects the movement in the assessment of the provision for future liabilities (see note 14) which is itself dependent on the grants made and financial circumstances of the grant beneficiary.

6. Analysis of support costs

	General support costs £	Governance costs £	2023 Total £	2022 Total £
Management charge – Police Treatment Centres	270,000	-	**270,000**	270,000
Communication and Information Technology	1,750	-	**1,750**	1,475
Other office expenses	24,385	-	**24,385**	22,004
Depreciation – owned assets	8,905	-	**8,905**	8,905
Legal and other professional fees	-	-	**-**	939
Auditor's remuneration	-	6,020	**6,020**	4,300
Other	-	-	**-**	780
	305,040	6,020	**311,060**	**308,403**

7. Net income/(expenditure) for the year

	2023 £	2022 £
Net income/(expenditure) is stated after charging:		
Depreciation – owned assets	**8,905**	8,905
Auditor's remuneration	**6,020**	5,080

8. Employees

	2023 £	2022 £
Management charge	-	-

1 employees received emoluments of more than £60,000 in the year (2022: None).

All personnel costs are borne by The Police Treatment Centres and are included in the management charge of £270,000 (2022: £270,000) for the year. The management charge covers establishment costs, legal and professional fees, the costs of St George's Trust Benefits Review as well as personnel costs.

9. Trustees' emoluments

None Trustees received remuneration from the charity during the year (2022: None). In addition, None Trustees received expenses from the charity during the year (2022: None).

10. Tangible fixed assets

	Fixtures, fittings and equipment £	Freehold land and buildings £	Total £
Cost			
At 1 January and 31 December 2023	5,093	445,273	**450,366**
Depreciation			
At 1 January 2023	5,093	80,147	**85,240**
Charge for the year	-	8,905	**8,905**
At 31 December 2023	5,093	89,052	**84,145**
Net book values			
At 31 December 2023	-	356,211	**356,211**
At 31 December 2022	-	365,126	**365,126**

11. Fixed asset investments

	Endowed listed investments £	Unrestricted listed investments £	Endowment cash held as part of investment portfolio £	Unrestricted cash held as part of investment portfolio £	Total £
Valuation					
As at 1 January 2023	7,072,815	9,215,301	(171,301)	851,343	**16,968,158**
Management fees	-	-	(31,347)	(40,843)	**(72,190)**
Distributions received	-	-	-	39,125	**39,125**
Interest	-	-	-	718,517	**718,517**
Transfers	-	-	-	-	**-**
Withdrawals	-	-	-	(500,000)	**(500,000)**
Equalisation	-	-	-	-	**-**
Revaluation	100,488	130,928	-	-	**231,416**
As at 31 December 2023	7,173,303	9,436,229	(202,648)	1,068,142	**17,385,025**
Historic cost at 31 December 2023	5,596,500	7,291,783	(253,932)	1,238,789	13,873,140

All investments are held in the UK.

If a decision were taken to dispose of unrestricted investments at a future date to fund charitable expenditure, legal advice and regulatory consultation would be sought to ensure no liens are held over the assets.

Under the terms of the Endowment fund there is no restriction upon the transfer of income generated. As such, any income generated by the Endowed investments are added to the Unrestricted investments.

12. Debtors

	2023 £	2022 £
Prepayments and accrued income	**147,440**	134,344
	147,440	134,344

13. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade Creditors	**151**	425
The Police Treatment Centres current account	**61,469**	49,312
Accruals and deferred income	**66,965**	24,596
	128,585	73,693

14. Provisions for liabilities

	2023 £	2022 £
At 1 January 2023	**3,632,935**	3,920,424
Utilised in the year	**796,069**	(768,991)
Charge for the year	**(592,664)**	481,502
At 31 December 2023	**3,836,340**	3,632,935

The provision relates to the obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. During the year, the discount rate estimate used to discount the provision to present value was revised to reflect increased government bond yields at 31 December 2023 compared with prior period ends. The rates applied at 31 December 2023 ranged between 3% and 5%. As a result of this change in accounting estimate, the provision was reduced by £287,489 compared to the provision amount had the prior year discount rate estimate been applied. The amount of the provision estimated to be payable in one year is £796,069 (2022: £768,991).

15. Analysis of net assets between funds

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Fund balances at 31 December 2023 as represented by:				
Tangible assets	-	-	356,220	**356,220**
Investment assets	6,970,655	-	10,414,370	**17,385,025**
Current assets	-	-	626,566	**626,566**
Current liabilities	-	-	(128,585)	**(128,585)**
Long-term liabilities	-	-	(3,836,340)	**(3,836,340)**
	6,970,655	-	7,432,231	**14,402,886**

16. Unrestricted funds

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2023 £
General fund	7,398,036	1,254,005	(1,350,828)	131,018	**7,432,231**

Purposes of unrestricted funds

The general fund is for the payment of grants to orphaned children of police officers and children of officers that have been incapacitated to help with their maintenance whilst in full time education.

17. Permanent Endowment funds

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2023 £
Investments	6,901,514	-	(31,347)	100,488	6,970,655

Purpose of endowment funds

The endowment fund was donated to ensure the charity had sufficient assets to achieve its charitable objectives.

18. Related party transactions

The Trust operates from the premises of The Police Treatment Centres. All personnel costs are paid by this charity. A management charge of £270,000 (2022: £270,000) has been charged by The Police Treatment Centres to the Trust.

At 31 December 2023, £61,469 (2022: £49,312) was owed to The Police Treatment Centres in respect of its current account with the Trust.

19. Indemnity insurance

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect or defaults of Trustees or staff and any consequent loss.

20. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income / (expenditure) for year	**103,336**	(1,524,075)
Depreciation and impairment of tangible fixed assets	**8,905**	8,905
(Gains) / losses on investments	**(231,417)**	1,895,829
Interest and dividends received	**(762,647)**	(721,437)
Increase / (decrease) in provisions (net of payments)	**203,406**	(287,489)
Decrease / (increase) in debtors	**(13,096)**	(12,998)
Increase / (decrease) in creditors	**54,253**	640
Net cash outflow from operating activities	**(637,260)**	(640,625)

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	**479,126**	539,190
Cash held in investment portfolio (note 11)	**865,493**	680,042
Net cash	**1,344,619**	1,219,232

22. Financial Instruments

The carrying amounts of the Charity's financial instruments are as follows:

	2023 £	2022 £
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset listed investments (note 11)	**17,385,025**	16,968,158

22. Financial instruments (continued)

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

	2023 £	2022 £
Income and expense		
Financial assets measured at fair value through net income / expenditure	**718,517**	712,227
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income / expenditure	**231,506**	(1,895,829)

The Police Children's Charity

Providing a helping hand if the unimaginable happens

The Police Children's Charity
St Andrews, Harlow Moor Road, Harrogate,
North Yorkshire HG2 0AD
Tel: 01423 504448

Email: enquiries@thepolicechildrenscharity.org
fundraising@thepolicechildrenscharity.org

@policechildrens

Website: www.thepolicechildrenscharity.org

Registered Charity No. 1147445 **OSCR Registration No.** SC043652
Company No. 07822521

The Police Children's Charity

England & Wales - Charity number 1147445

Accounts

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

THE POLICE CHILDREN'S CHARITY

Charity Number: 1147445
Scottish Charity Number: SC043652
Company Number: 07822521



Formerly known as the St George's Police Children Trust

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Welcome from our Chair, Liam Kelly

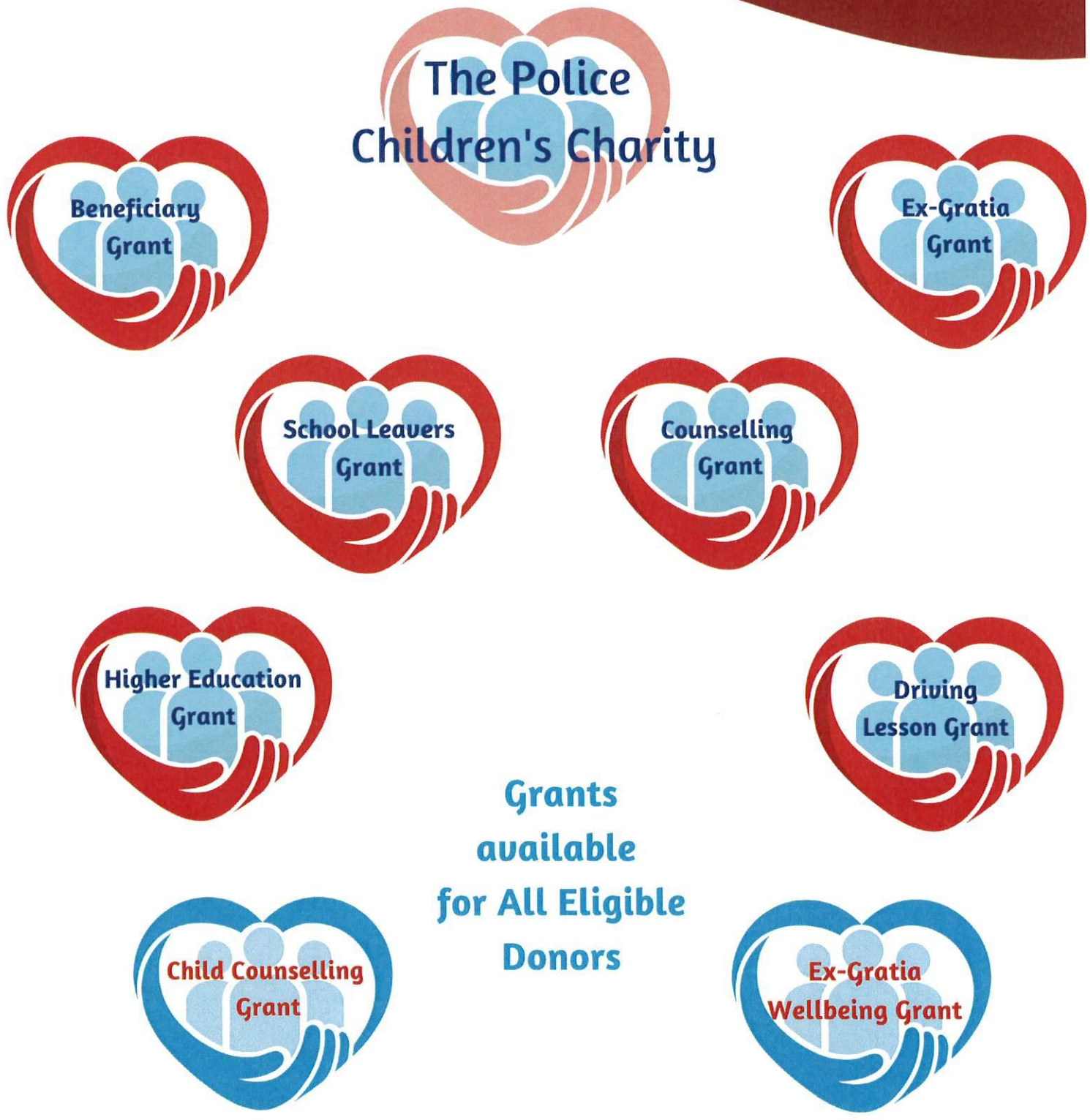


2022 was the first full year that The Police Children's Charity operated under it's new name. We have seen the benefit of this throughout 2022 with more Officers choosing to donate to the Charity. The Police Children's Charity exists to support donating Police Families across the United Kingdom in times of need. It primarily supports and benefits children & young people not only when parental bereavement occurs, but also in ill health retirement cases where reduced income could have a detrimental impact.

The two new grants available for Serving Officers were well utilised in 2022. Families applied for support to cover garden adaptations for a disabled child, counselling grants and noise cancelling earbuds and private clinical assessments for things such as autism.

In my role as Chair over the last four years I have been humbled by the support and assistance we have been able to provide to Police Families when they are in most need. To remain fit for purpose, the Charity will continue to evolve and reflect the changing world of policing. In 2023, we plan to extend the eligibility for Retired Officers who have not donated to the Charity as a Serving Officer. Being unable to positively intervene because there was no donor in the family is both frustrating and heart-breaking. Therefore, I would ask that awareness of what this Charity provides is promoted and would encourage all those eligible to consider becoming a donor.

New Name.
Same Fantastic Grants.



Grants available for All Eligible Donors

Providing a helping hand if the unimaginable happens

The Police Children's Charity is a registered Charity which provides support to Police Families by helping to ease the financial pressures of bringing up children in the face of life-changing circumstances.

These circumstances could include the loss of either parent (whether or not they are a Serving or Retired Police role) or when the Police parent is unable to earn an income due to injury or illness, sustained on or off duty, or when a child is struggling as a result of mental health challenges.

Support from the Charity can provide a degree of financial certainty in difficult times and is provided for on or off duty incidents to families of forces in the North of England, North Wales, Northern Ireland and Scotland who donate to the Charity.

Our Vision

Our Vision is to create an environment where The Police Children's Charity Beneficiary families are free of financial cares and concerns.

Our Mission Statement

To provide present and future financial and other support to The Police Children's Charity Beneficiaries.

Our Values

- Always put our Beneficiaries at the heart of our work.
- Actively seek out new Beneficiaries.
- Continue to support all Beneficiaries in an open and transparent way.
- Deal with all new and existing applications in a sensitive manner.

Legal and Administrative Information

Charity Number:	1147445
Scottish Charity Number:	SC043652
Company Number:	07822521
Business Address:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Registered Office:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Auditor:	TC Group Registered Auditors 6 Queen Street Leeds LS1 2TW
Bankers:	Barclays Bank Plc 25 James Street Harrogate HG1 1QX
Investment Advisors:	Cazenove Capital Management 12 Moorgate London EC

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and Strategic Report)
for the Year Ended 31 December 2022

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, submit their Annual Report and audited accounts for The Police Children's Charity (the Company) for the year ended 31 December 2022. The Trustees confirm that the Annual Report and financial statements comply with current statutory requirements. The principal site and registered office for the Charity is St Andrews, Harlow Moor Road, Harrogate, HG2 0AD.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Police Children's Charity was registered as an incorporated charity on 25 October 2011 and commenced trading on 1 January 2013. On 1 January 2013 the trade and assets not restricted by permanent endowment of the St George's Police Trust (SGPT) were transferred to the St George's Police Children Trust at fair market value. The St George's Police Children Trust has been granted a linking order between the two Charities to enable consolidated accounts to be prepared. The St George's Police Children Trust therefore acts as the corporate Trustee of the existing charity, the St George's Police Trust. The St George's Police Trust remains registered with the charities commission (1147445-1). The governing documents were last reviewed on the 8 August 2016. In January 2022 the Charity changed its trading name to the Police Children's Charity.

The Company is registered as a charitable company limited by guarantee, registered Charity Commission number 1147445 and OSCR SC043652, and was set up by a Trust deed and is governed by the Memorandum and Articles of Association.

The principal objective of The Police Children's Charity is contained in the Memorandum and Articles of Association as follows:

I. The Charity's objects are specifically restricted to the relief of those in need by reason of ill-health, disability, financial hardship or other disadvantage for the public benefit in particular but not limited to support children and young people up to the age 25 where a parent who is, or was, a serving officer, has died or has become incapacitated in some way that affects earning capability. The eligibility was extended in 2019 to cover the death of a Police Officer's partner. From 2021 the Charity will also provide counselling and wellbeing grants to the children of serving officers who donate to the charity.

Organisational Structure

The Charity is run by Trustees (Directors of the Company) who are elected from the following organisations:

i. Six Trustees appointed by the National Police Chiefs' Council of England, Wales and Northern Ireland (NPCC);

ii. One Trustee appointed by the Scottish Chief Police Officers' Staff Association (SCPOSA);

iii. Two Trustees appointed by the Police Superintendents' Association of England and Wales (PSAEW);

iv. One Trustee appointed by the Association of Scottish Police Superintendents (ASPS);

v. One Trustee appointed by the Superintendents' Association of Northern Ireland (SANI);

Organisational Structure (continued)

vi. Six Trustees appointed by the Police Federation of England and Wales (PFEW)

vii. Three Trustees appointed by the Scottish Police Federation (SPF);

viii. One Trustee appointed jointly by the Police Federations of the British Transport Police, Civil Nuclear Constabulary and the Ministry of Defence Police;

ix. Three Trustees appointed by the Police Federation of Northern Ireland (PFNI); and

x. Up to six Co-Opted Trustees at any one time who are appointed by the Trustees.

The Charity amended its articles which were approved in March 2022 to remove the rank from the federation representatives to enable the appointment of the trustee who has the best skills to deliver the aims of the Charity

Organisational Structure (continued)

The current membership is as follows:

Name	Force	Appointment Date TPCC	Termination Date
L Kelly (Chair)	Police Service of Northern Ireland	09/04/2015	
A Grandison (Vice Chair)	West Yorkshire	22/09/2014	
M Davis	Co-opted	19/05/2017	
R Dutton	Co-opted	21/11/2013	
R Hay	Police Service of Scotland	18/10/2022	
C Irvine	Durham	25/01/2022	
B Jones	Police Service of Scotland	16/02/2022	
S Kennedy	Merseyside	24/11/2022	
A Lees	Co-Opted (NARPO)	02/08/2016	
I Magee	Police Service of Northern Ireland	16/03/2022	
M Marshallsay	British Transport Police	01/09/2022	
K Meynell	Derbyshire	25/04/2022	
D Murphy	Police Superintendents' Association	02/11/2017	
R Murray	Cleveland	01/01/2022	
T Purcell	Police Service of Northern Ireland	16/07/2018	
J Robins	West Yorkshire	16/06/2016	
A Shaw	Police Service of Scotland	12/07/2022	
D Simpson	Northumbria Police	14/03/2018	
J Skelton	Nottinghamshire	12/05/2016	
L Winward	North Yorkshire	21/07/2016	
R Wood	Police Service of Scotland	08/04/2021	
E Aldred	North Yorkshire	07/12/2021	16/03/2023
R Barber	South Yorkshire	25/05/2016	20/06/2022
N Goodband	British Transport Police	16/07/2021	31/08/2022
R Henderson	Police Service of Northern Ireland	24/06/2021	18/03/2022
W Kerr	Police Service of Scotland	07/12/2021	10/10/2022
S Langham	Lincolnshire	09/11/2022	31/01/2023
A Macinnes	Police Service of Scotland	27/01/2022	02/08/2022
I Magee	Police Service of Northern Ireland	16/03/2022	05/05/2023
A Malcolm	Police Service of Scotland	16/02/2022	20/06/2022

Trustee Induction and Training

With the increasing size and complexity of The Police Children's Charity it is important that the Trustees have the necessary skills and experience to both fulfil their legal duties and ensure that the appropriate management and internal controls are in place for the Charities efficient running. The Trustees review both their membership and their performance regularly and training or professional advice is used as appropriate. On appointment, new Trustees have an induction meeting with the Chief Executive. This covers all the activities of the Charity, future strategy and their legal responsibilities and duties. An annual Trustee Training Day was run for the Trustees by an external trainer in June 2022. Further appropriate training is organised if required. The Charity appointed Patrick Cairns to the position of Chief Executive in June 2014. The Chief Executive is appointed to manage the day to day running of the organisation and provide support to the Trustees in the strategic direction. To discharge this function the CEO works closely with Paul Grant the Deputy CEO, Peter Moore the Chief Finance Manager and Steve Cook the Human

Resources Manager. In the year both Steve Cook and Paul Grant retired and were replaced by Fiona Warrington and Andrew Malcolm.

The Trustees have the following sub-committees to assist their operation:

Finance and Human Resources Committee
This sub-committee meets on a quarterly basis and oversees financial performance and human resources issues.

Investment Sub-Committee
This sub-committee meets twice a year to oversee the performance of the investment portfolio and its managers.

Public Benefit

The Police Children's Charity is a charity working for the children of police officers. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Trust's aims and objectives and in planning future activities.

All the charitable activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living. The Charity also supports children where the partner of a Police Officer has died. In 2021 the Charity introduced counselling and wellbeing grants to the children of serving officers who donate to the charity

Our objects and funding limit the services we provide to serving and retired police officers in the North of England, North Wales, Northern Ireland and Scotland as well as British Transport Police, the Civil Nuclear Constabulary and the Ministry of Defence Police. The number of serving police officers in this catchment area is now approximately 64,000 and the number of police officers making the voluntary donation is around 28,700 (the number of retired police officers is likely to be similar). During 2022, the Charity supported 270 children within education and a further 59 within further education.

Further information about the direct beneficiaries of our services is provided in the Annual Report.

The Trust distributes grants to the families of children within education which is dependent on the weekly income of each household with each beneficiary allocated a weekly amount. The distribution of grants to children in higher education is not means tested with an annual grant to all those eligible of £1,500.

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and Strategic Report)
for the Year Ended 31 December 2022

Strategic Report

Financial and Operational Review 2022

The Police Children's Charity has posted financial results in line with predictions for 2022 despite difficult economic times, a war in Ukraine and the reduction in police officer numbers donating. In 2022 the Charity posted a surplus of £371,755 compared to a deficit £402,534 in 2021. The main reason for the surplus was a reduction in the provision for long term liabilities of £287,489 following the annual calculation of the provision required to support the beneficiaries through to the age of 25 together with not drawing down on the contingency fund. The Trust's investments decreased by £1,895,829 which meant the net movement of funds for the year was a deficit of £1,524,076.

During 2022 the Charity worked with all Federations and Benevolent Funds to ensure those eligible were getting the support they deserved, this awareness will continue into 2023. The Trust continued to use testimonials to support its work which has a direct impact on encouraging officers to support the Charity.

During 2021 the Charity undertook a review of its title, with a view to making it more relevant and obvious in the service it provides. Following an extensive consultative review the Trustees agreed to re-brand the Charity as the Police Children's Charity. This better reflects the work it does and the beneficiaries it supports. The re-brand was completed in the first quarter of 2022 and is proving very positive in promoting the work of the charity.

The Trustees took the decision to use the property on Lascelles Road to benefit the children and young people by allowing the house to be used for holiday stays for beneficiaries and their families. The property continued to be used as a holiday let free to beneficiaries throughout 2022 with great success. This has continued into 2023 with all school holiday weeks now typically fully booked. As a result of the success the charity has an agreement with the Police Treatment Centres to rent its cottages to TPCC beneficiaries when not being used by patients.

Investment Income

There was a small increase in investment income in 2022 from £684,449 to £712,227.

Support Costs

The Trust does not directly employ staff but instead operates with a service level agreement with The Police Treatment Centres ("PTC") and is charged a management charge (note 6) to cover the management and administration of the Trust.

The Investment Policy

The Investment Policy agreed by the Board of Trustees is to increase income in line with inflation while preserving the real value of capital sums invested. The breakdown, nature of investments and Investment Policy has been agreed with the PTC Trustees' Investment Sub-Committee and the PTC Finance and Human Resources Committee. The Trustees have placed restrictions on the Investment Manager's authority and the Investment Policy will be continually monitored and reviewed at six-monthly intervals.

The portfolio is invested in a multi asset fund which is managed by Cazenove.

There was an unrealised loss of £1,895,829 on investments for 2022.

Reserves Policy

The Reserves Policy agreed by the Board of Trustees is to maintain available reserves of at least £3.6 million. The Trust requires this level of reserves because it does not have a guaranteed income and this represents the Trust's ability to maintain reserves to meet commitments to current beneficiaries without the need to raise additional funds. Currently the reserves, when based on the unrestricted assets less the unrestricted liabilities, means that the Trust has sufficient reserves to meet its long-term liabilities.

In addition, the Trustees recognise that the value of annual benefits disbursed to beneficiaries cannot be met by the value of annual officer donations alone, therefore they have also resolved to retain sufficient reserves to generate enough income through its investments to support the revenue budget and the disbursement of those monies to beneficiaries. The Reserves Policy will be continually monitored and reviewed on an annual basis.

Future Plans

The Charity has created a stable footing from which it can move forward and provide support to children who have a lost a parent throughout their education. The key objectives for 2023 are:

- To enhance the name change and rebrand amongst forces.
- To promote the changes agreed by the Trustees to all Police Officers within our constituent forces;
- To continue its awareness campaign to increase the number of officers that are donating to the Charity; and
- To review the benefits available to beneficiaries.

Employees and Volunteers

The Trust does not employ anyone directly but has a Service Level Agreement with The Police Treatment Centres to manage the service.

Risk Management

The Trustees have a risk management strategy which comprises a quarterly review of the Risk Register by the Finance and Human Resources Committee and an annual review of any key risks to the Trust by the full Board. The strategy identifies and establishes systems and actions to mitigate those risks and implement procedures designed to minimise any potential impact on the Trust should those risks materialise. A register has been prepared covering significant risks using the accepted criteria of likelihood of occurrence and potential impact on the Trust's activities.

This register was prepared in conjunction with management of the PTC and is kept under review with a formal update being performed when required. Following a detailed analysis of the Trust's operations, key risks were documented and where necessary, plans to mitigate them have been introduced.

Post Balance Sheet Events

There were no material post balance sheet events up to the date of approval of the financial statements.

Trustees' Responsibilities

The Charity Trustees (who are also the Directors of The Police Children's Charity for the purposes of company law) are responsible for preparing a Trustees' Annual Report and 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 the year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of the resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting 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 company will continue its business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

TC Group was appointed as statutory auditor on 25th July 2022 and has indicated its willingness to continue in office.

Statement of disclosure of information to auditor

The Trustees confirm that, at the date of the approval of these financial statements, so far as they are each aware:

- there is no relevant information of which the company's auditor is unaware; and
- they have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Trustees



A Grandison (Chair of the Finance and Human Resources Committee)

Date: 13/06/2023

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

INDEPENDENT AUDITOR'S REPORT
for the Year Ended 31 December 2022

Opinion

We have audited the financial statements of The Police Children's Charity (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (including the Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was capable of detecting irregularities, including fraud

The objectives of our audit, in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006), the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, corporation tax and employment tax legislation;
- We considered the nature of the industry, the control environment and business performance, including key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect all non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Williams FCA
Senior Statutory Auditor
TC Group
6 Queen Street
Leeds
LS1 2TW

Date: 13/06/23

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) for the Year Ended 31 December 2022

	Notes	Unrestricted funds	Restricted funds	Endowment funds	2022 Total	2021 Total
		£	£	£	£	£
Income from:						
Donations and legacies	2	520,854	-	-	**520,854**	531,047
Investments	3	721,437	-	-	**721,437**	684,704
Total income		1,242,291	-	-	**1,242,291**	1,215,751
Expenditure on:						
Raising funds	4	43,050	-	33,041	**76,091**	75,061
Charitable activities	5	794,445	-	-	**794,445**	738,156
Total expenditure		837,495		33,041	**870,536**	813,217
Net gains/(losses) on investments	11	(1,072,600)		(823,229)	**(1,895,829)**	1,086,565
Net income/(expenditure)		(667,804)	-	(856,270)	**(1,524,074)**	1,489,099
Net movement in funds		(667,804)	-	(856,270)	**(1,524,074)**	1,489,099
Reconciliation of funds						
Total funds brought forward		8,065,840	-	7,757,784	**15,823,624**	14,334,525
Total funds carried forward		7,398,036	-	6,901,514	**14,299,550**	15,823,624

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net surplus for the year of £371,755 (2021: £402,534) plus the net unrealised loss on investments of £1,895,829 (2021: gain of £1,086,565), amounting to a deficit of £1,524,074 (2021: surplus of £1,489,099).

The notes on pages 21 to 32 form an integral part of these financial statements

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

BALANCE SHEET
for the Year Ended 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	10		**365,126**		374,031
Investments	11		**16,968,158**		18,720,176
			17,333,284		19,094,207
Current assets					
Debtors	12	**134,344**		121,345	
Cash at bank and in hand	21	**539,190**		602,189	
		673,534		723,534	
Liabilities					
Creditors: amounts falling due within one year	13	**(74,333)**		(73,693)	
Net current assets			**599,201**		649,841
Total assets less current liabilities			**17,932,485**		19,744,048
Provisions for liabilities	14		**(3,632,935)**		(3,920,424)
Total net assets			**14,299,550**		15,823,624
The funds of the charity					
Unrestricted funds	16		**7,398,036**		8,065,840
Endowment funds	17		**6,901,514**		7,757,784
Total charity funds			**14,299,550**		15,823,624

The financial statements were approved by the Trustees and authorised for issue on 13/06/2023.

and signed on its behalf by:

A Grandison
Trustee

The notes on pages 21 to 32 form an integral part of these financial statements

THE POLICE CHILDREN'S CHARITY
Company Number: 07822521

CASH FLOW STATEMENT
for the Year Ended 31 December 2022

	Notes	2022 £	2021 £
Cash flow from operating activities	20	**(640,625)**	(367,940)
Net cash flow from operating activities		**(640,625)**	(367,940)
Cash flow from investing activities			
Purchase of investments	11	**-**	(560,000)
Dividends and interest received		**721,437**	684,704
Net cash flow from investing activities		**721,437**	124,704
Net (decrease) / increase in cash and cash equivalents		**80,812**	(243,236)
Cash and cash equivalents at start of period		**1,138,420**	1,381,656
Cash and cash equivalents at end of period	21	**1,219,232**	1,138,420

The closing cash balance represents the net funds of the Charity.

NOTES TO FINANCIAL STATEMENTS
for the Year Ended 31 December 2022

1. Summary of significant accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 General Information and basis of preparation

The Police Children's Charity is a company limited by guarantee incorporated in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 6 of these financial statements. The charity's activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice (GAAP).

Assets and liabilities

The charitable company commenced trade on 1 January 2013. The charitable company has obtained a linking order with St George's Police Trust (Charity Number 1147445-1).

The Police Children's Charity is considered to be the Reporting Charity for the two organisations.

On 1 January 2013 the trade and assets not restricted by a permanent endowment, of the St George's Police Trust were transferred to The Police Children's Charity at fair market value (where the Trustees have assessed fair market value as being equal to book value). The fair market value of this transfer totalled £3,943,863.

The remaining assets of the St George's Police Trust have been accounted for as a restricted branch within the permanent endowment fund. Subsequent transactions have been recognised within the permanent endowment fund in accordance with the requirements of the SORP and the Charities Act 2011.

The nature of these transactions and the linking order are considered to represent a group restructuring exercise. As such merger accounting has been used to reflect the transaction as it meets the criteria for such accounting under Financial Reporting Standard 102 and the SORP 2019.

Due to the strong position of the balance sheet and level of liquid resources, the Trustees have identified no material uncertainties that may cast significant doubt over the ability of the charity to continue as a going concern.

1.2 Fund accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the Trustees for specific purposes.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds are those donated whereby the fund cannot be used as if it were income. Subsequently the fund represents an investment in capital that is utilised in achieving the charity's objectives.

Income generated by the endowment fund will be recognised within unrestricted income funds whilst the capital gains and losses and the cost incurred in maintaining and safeguarding the capital will be credited/charged against the endowment fund.

1.3 Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and receipt is probable. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that receipt is probable, the amount involved can be quantified and the charity is entitled to the income.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are part of support costs and are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost. All items of a capital nature over £1,000 are included at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	- 2% straight line
Freehold land	- not depreciated
Fixtures, fittings and equipment	- 25% straight line

1.6 Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

1.7 Grants

Grants payable are accounted for on an accruals basis and in accordance with FRS 102 to the extent that, where a constructive obligation to continue payments to existing recipients is considered to exist, as a result of a past event, full provision is made for the total expected future payments to be made, discounted to reflect inflation. Grants are paid in line with the objects of the Trust which are to benefit the children of police officers (serving and retired) whose parent is either dead or incapacitated from earning a living.

1.8 Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past events.

1.9 Debtors and creditors receivable / payable within one year

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

1.10 Current asset investments

Funds held on deposit and classified as current asset investments are stated at market value at the balance sheet date. Any difference between cost and market value is adjusted for through the Statement of Financial Activities.

1.11 Taxation

The Charity is exempt from tax on income and gains falling within sections 472-489 of the Corporation Tax Act 2011 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Provisions for future grant obligations

The charity makes a provision in respect of its obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. The key assumptions used in calculating the required provision are reviewed annually and adjusted where necessary to reflect changes in economic conditions and the circumstances of the grant recipients. The carrying value of the provision for future grant payments is detailed in note 14 to the financial statements.

Income recognition

The financial statements include accrued income of £57,450 (2021: £41,261) in respect of management's estimate of officers donations pledged but not yet remitted to the organisation as at the reporting date. The amount of income due is calculated based on management's estimate of the number of officers donating. The differences between expected income and amounts remitted in the period are recognised as accrued income.

2. Income from donations and legacies

	Unrestricted funds £	Endowment funds £	2022 Total £	2021 Total £
Donations	18,432	-	**18,432**	13,460
Officers donations	502,422	-	**502,422**	517,587
	520,854	-	**520,854**	531,047

All income from donations and legacies was attributable to unrestricted funds in both reporting periods.

3. Investment income

	Unrestricted funds £	Endowment funds £	2022 Total £	2021 Total £
Income from UK listed investments	712,227	-	**712,227**	684,449
Bank interest receivable	9,210	-	**9,210**	255
	721,437	-	**721,437**	684,704

All income from investments was attributable to unrestricted funds in both reporting periods.

4. Expenditure on raising funds

	Unrestricted funds £	Endowment funds £	2022 Total £	2021 Total £
Investment management fees	43,050	33,041	**76,091**	75,061
	43,050	33,041	**76,091**	75,061

Expenditure on raising funds was £76,091 (2021: £75,061) of which £33,041 (2021: £33,630) was attributable to endowment and £43,050 (2021: £41,431) was attributable to unrestricted funds.

5. Expenditure on charitable activities

	Activities undertaken directly £	Support costs £	2022 Total £	2021 Total £
Grant making – unrestricted	486,042	302,384	**778,426**	733,151
Governance costs (note 6)	-	6,019	**6,019**	5,005
	486,042	308,403	**794,445**	738,156

All expenditure on charitable activities was attributable to unrestricted funds in both reporting periods.

Grants are paid to benefit the children of police officers (serving or retired) whose parent is either dead or incapacitated from earning a living.

Support costs include the management charge of £270,000 (2021: £130,000) from The Police Treatment Centres (see note 18) which covers personnel and establishment costs.

The cost of charitable activities above reflects the movement in the assessment of the provision for future liabilities (see note 14) which is itself dependent on the grants made and financial circumstances of the grant beneficiary.

6. Analysis of support costs

	General support costs £	Governance costs £	2022 Total £	2021 Total £
Management charge – Police Treatment Centres	270,000	-	**270,000**	130,000
Communication and Information Technology	1,475	-	**1,475**	1,420
Other office expenses	22,004	-	**22,004**	7,261
Depreciation – owned assets	8,905	-	**8,905**	8,906
Legal and other professional fees	-	939	**939**	1,105
Auditor's remuneration	-	4,300	**4,300**	3,900
Other	-	780	**780**	-
	302,384	6,019	**308,403**	**152,592**

7. Net income/(expenditure) for the year

	2022 £	2021 £
Net income/(expenditure) is stated after charging:		
Depreciation – owned assets	**8,905**	8,905
Auditor's remuneration	**5,080**	3,900

8. Employees

	2022 £	2021 £
Management charge	**270,000**	130,000

No employee received emoluments of more than £60,000 in the year (2021: None).

All personnel costs are borne by The Police Treatment Centres and are included in the management charge of £270,000 (2021: £130,000) for the year. The management charge covers establishment costs, legal and professional fees, the costs of St George's Trust Benefits Review as well as personnel costs.

9. Trustees' emoluments

No Trustees received remuneration from the charity during the year (2021: None). In addition, no Trustees received expenses from the charity during the year (2021: None).

10. Tangible fixed assets

	Fixtures, fittings and equipment £	Freehold land and buildings £	Total £
Cost			
At 1 January and 31 December 2022	5,093	445,273	**450,366**
Depreciation			
At 1 January 2022	5,093	71,242	**76,335**
Charge for the year	-	8,905	**8,906**
At 31 December 2022	5,093	80,147	**85,240**
Net book values			
At 31 December 2022	-	365,126	**365,126**
At 31 December 2021	-	374,031	**374,031**

11. Fixed asset Investments

	Endowed listed investments £	Unrestricted listed investments £	Endowment cash held as part of investment portfolio £	Unrestricted cash held as part of investment portfolio £	Total £
Valuation					
As at 1 January 2022	7,896,044	10,287,901	(138,260)	674,491	**18,720,176**
Management fees	-	-	(33,041)	(43,050)	**(76,091)**
Distributions received	-	-	-	712,227	**712,227**
Interest	-	-	-	7,675	**7,675**
Transfers	-	-	-	-	**-**
Withdrawals	-	-	-	(500,000)	**(500,000)**
Equalisation	-	-	-	-	**-**
Revaluation	(823,229)	(1,072,600)	-	-	**(1,895,829)**
As at 31 December 2022	7,072,815	9,215,301	(171,301)	851,343	**16,968,158**
Historic cost at 31 December 2022	5,596,500	7,291,783	(253,932)	1,238,789	**13,873,140**

All investments are held in the UK.

If a decision were taken to dispose of unrestricted investments at a future date to fund charitable expenditure, legal advice and regulatory consultation would be sought to ensure no liens are held over the assets.

Under the terms of the Endowment fund there is no restriction upon the transfer of income generated. As such, any income generated by the Endowed investments are added to the Unrestricted investments.

12. Debtors

	2022 £	2021 £
Prepayments and accrued income	**134,344**	121,345
	134,344	121,345

13. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	**425**	427
The Police Treatment Centres current account	**49,312**	46,222
Accruals and deferred income	**24,596**	27,044
	74,333	73,693

14. Provisions for liabilities

	2022 £	2021 £
At 1 January 2022	**3,920,424**	4,058,591
Utilised in the year	**(768,991)**	(723,731)
Charge for the year	**481,502**	585,564
At 31 December 2022	**3,632,935**	3,920,424

The provision relates to the obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. During the year, the discount rate estimate used to discount the provision to present value was revised to reflect increased government bond yields at 31 December 2022 compared with prior period ends. The rates applied at 31 December 2022 ranged between 3.5% and 4%. As a result of this change in accounting estimate, the provision was reduced by £287,489 compared to the provision amount had the prior year discount rate estimate been applied. The amount of the provision estimated to be payable in one year is £768,991 (2021: £723,731).

15. Analysis of net assets between funds

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Fund balances at 31 December 2022 as represented by:				
Tangible assets	-	-	365,126	**365,126**
Investment assets	6,901,514	-	10,066,644	**16,968,158**
Current assets	-	-	673,534	**673,534**
Current liabilities	-	-	(74,333)	**(74,333)**
Long-term liabilities	-	-	(3,632,935)	**(3,632,935)**
	6,901,514	-	7,398,036	**14,299,550**

16. Unrestricted funds

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2022 £
General fund	8,065,840	1,242,291	(837,495)	(1,072,600)	**7,398,036**

Purposes of unrestricted funds

The general fund is for the payment of grants to orphaned children of police officers and children of officers that have been incapacitated to help with their maintenance whilst in full time education.

17. Permanent Endowment funds

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2022 £
Investments	7,757,784	-	(33,041)	(823,229)	**6,901,514**

Purpose of endowment funds

The endowment fund was donated to ensure the charity had sufficient assets to achieve its charitable objectives.

18. Related party transactions

The Trust operates from the premises of The Police Treatment Centres. All personnel costs are paid by this charity. A management charge of £270,000 (2021: £130,000) has been charged by The Police Treatment Centres to the Trust.

At 31 December 2022, £49,312 (2021: £46,222) was owed to The Police Treatment Centres in respect of its current account with the Trust.

19. Indemnity insurance

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect or defaults of Trustees or staff and any consequent loss.

20. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income / (expenditure) for year	**(1,524,075)**	1,489,099
Depreciation and impairment of tangible fixed assets	**8,905**	8,906
(Gains) / losses on investments	**1,895,829**	(1,086,565)
Interest and dividends received	**(721,437)**	(684,704)
Increase / (decrease) in provisions (net of payments)	**(287,489)**	(138,167)
Decrease / (increase) in debtors	**(12,998)**	35,809
Increase / (decrease) in creditors	**640**	7,682
Net cash outflow from operating activities	**(640,625)**	(367,940)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	**539,190**	602,189
Cash held in investment portfolio	**680,042**	536,231
Net cash	**1,219,232**	1,138,420

22. Financial Instruments

The carrying amounts of the Charity's financial instruments are as follows:

	2022 £	2021 £
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset listed investments (note 11)	**16,968,158**	18,720,176

22. Financial Instruments (continued)

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

	2022 £	2021 £
Income and expense		
Financial assets measured at fair value through net income / expenditure	**712,227**	684,449
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income / expenditure	**(1,895,829)**	1,086,565

The Police Children's Charity

England & Wales - Charity number 1147445

Accounts

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

FOR

THE POLICE CHILDREN'S CHARITY

Formerly known as ST GEORGE'S POLICE CHILDREN TRUST

Charity Number: 1147445

Scottish Charity Number: SC043652

Company Number: 07822521



Formerly known as the St George's Police Children Trust

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Welcome from our Chair, Liam Kelly



During 2021 a decision was taken to change the name from St George's Police Childrens Trust to The Police Children's Charity to better reflect the work it undertakes. The Police Children's Charity exists to support donating Police Families across the United Kingdom in times of need. It primarily supports and benefits children & young people not only when parental bereavement occurs, but also in ill health retirement cases where reduced income could have a detrimental impact.

I am also extremely proud that during 2021 we created two new additional benefits to support the children and young people of our Serving Police Donors where the children are requiring support for their health and/or wellbeing. This additionality has already gained some traction and we have already provided significant support to many Police Families.

In my role as Chair over the last three years I have been humbled by the support and assistance we have been able to provide to Police Families when they are in most need. To remain fit for purpose, the Charity will continue to evolve and reflect the changing world of policing. Despite the very low-cost, donor numbers have unfortunately been reducing over the years. Being unable to positively intervene because there was no donor in the family is both frustrating and heart-breaking. Therefore, I would ask that awareness of what this Charity provides is promoted and would encourage all those eligible to consider becoming a donor.

New Name.
Same Fantastic Grants.















Grants available for Police Serving Donors





Providing a helping hand if the unimaginable happens

The Police Children's Charity is a registered Charity which provides support to Police Families by helping to ease the financial pressures of bringing up children in the face of life-changing circumstances.

These circumstances could include the loss of either parent (whether or not they are a Serving or Retired Police role) or when the Police parent is unable to earn an income due to injury or illness, sustained on or off duty, or when a child is struggling as a result of mental health challenges.

Support from the Charity can provide a degree of financial certainty in difficult times and is provided for on or off duty incidents to families of forces in the North of England, North Wales, Northern Ireland and Scotland who donate to the Charity.

Our Vision

Our Vision is to create an environment where The Police Children's Charity Beneficiary families are free of financial cares and concerns.

Our Mission Statement

To provide present and future financial and other support to The Police Children's Charity Beneficiaries.

Our Values

- Always put our Beneficiaries at the heart of our work.
- Actively seek out new Beneficiaries.
- Continue to support all Beneficiaries in an open and transparent way.
- Deal with all new and existing applications in a sensitive manner.

The POLICE CHILDREN'S CHARITY
formerly known as ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

Charity Number:	1147445
Scottish Charity Number:	SC043652
Company Number:	07822521
Business Address:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Registered Office:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Auditor:	Murray Harcourt Limited Registered Auditors 6 Queen Street Leeds LS1 2TW
Bankers:	Barclays Bank Plc 25 James Street Harrogate HG1 1QX
Investment Advisors:	Cazenove Capital Management 12 Moorgate London EC2R 6DA

The POLICE CHILDREN'S CHARITY
formerly known as ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and strategic Report)
for the Year Ended 31 December 2021

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, submit their Annual Report and audited accounts for The Police Children's Charity (the Company) for the year ended 31 December 2021. The Trustees confirm that the Annual Report and financial statements comply with current statutory requirements. The principal site and registered office for the Charity is St Andrews, Harlow Moor Road, Harrogate, HG2 0AD.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Police Children's Charity was registered as an incorporated charity on 25 October 2011 and commenced trading on 1 January 2013. On 1 January 2013 the trade and assets not restricted by permanent endowment of the St George's Police Trust (SGPT) were transferred to the St George's Police Children Trust at fair market value. The St George's Police Children Trust has been granted a linking order between the two Charities to enable consolidated accounts to be prepared. The St George's Police Children Trust therefore acts as the corporate Trustee of the existing charity, the St George's Police Trust. The St George's Police Trust remains registered with the charities commission (1147445-1). The governing documents were last reviewed on the 8 August 2016. In January 2022 the Charity changed its trading name to the Police Children's Charity

The Company is registered as a charitable company limited by guarantee, registered Charity Commission number 1147445 and OSCR SC043652, and was set up by a Trust deed and is governed by the Memorandum and Articles of Association.

The principal objective of The Police Children's Charity is contained in the Memorandum and Articles of Association as follows:-

I. The Charity's objects are specifically restricted to the relief of those in need by reason of ill-health, disability, financial hardship or other disadvantage for the public benefit in particular but not limited to support children and young people up to the age 25 where a parent who is, or was, a serving officer, has died or has become incapacitated in some way that affects earning capability. The eligibility was extended in 2019 to cover the death of a Police Officer's partner. From 2021 the Charity will also provide counselling and wellbeing grants to the children of serving officers who donate to the charity.

Organisational Structure

The Charity is run by Trustees (Directors of the Company) who are elected from the following organisations:

i. Six Trustees appointed by the National Police Chiefs' Council of England, Wales and Northern Ireland (NPCC);

ii. One Trustee appointed by the Scottish Chief Police Officers' Staff Association (SCPOSA);

iii. Two Trustees appointed by the Police Superintendents' Association of England and Wales (PSAEW);

iv. One Trustee appointed by the Association of Scottish Police Superintendents (ASPS);

v. One Trustee appointed by the Superintendents' Association of Northern Ireland (SANI);

Organisational Structure (continued)

vi. Six Trustees appointed by the Police Federation of England and Wales (PFEW), of whom at the date of their appointment two are to be Police Inspectors, two are to be Police Sergeants and two are to be Police Constables;

vii. Three Trustees appointed by the Scottish Police Federation (SPF) of whom at the date of their appointment one is to be a Police Inspector, one is to be a Police Sergeant and one is to be a Police Constable;

viii. One Trustee appointed jointly by the Police Federations of the British Transport Police, Civil Nuclear Constabulary and the Ministry of Defence Police;

ix. Three Trustees appointed by the Police Federation of Northern Ireland (PFNI) of whom at the date of their appointment one is to be a Police Inspector, one is to be a Police Sergeant and one is to be a Police Constable; and

x. Up to six Co-Opted Trustees at any one time who are appointed by the Trustees.

The Charity amended its articles which were approved in March 2022 to remove the rank from the federation representatives to enable the appointment of the trustee who has the best skills to deliver the aims of the Charity

Organisational Structure (continued)

The current membership is as follows:

Name	Force	Appointment Date TPCC	Termination Date
L Kelly (Chair)	Police Service of Northern Ireland	09/04/2015	
A Grandison (Vice Chair)	West Yorkshire	22/09/2014	
E Aldred	North Yorkshire	07/12/2020	
R Barber	South Yorkshire	25/05/2016	
M Davis	Co-opted	19/05/2017	
R Dutton	Co-opted	21/11/2013	
N Goodband	British Transport Police	16/07/2020	
R Henderson	Police Service of Northern Ireland	24/06/2020	
C Irvine	Durham	25/01/2022	
B Jones	Police Service of Scotland	16/02/2021	
S Kennedy	Merseyside	24/11/2021	
W Kerr	Police Service of Scotland	07/12/2020	
S Langham	Lincolnshire	09/11/2021	
A Lees	Co-Opted (NARPO)	02/08/2016	
A Macinnes	Police Service of Scotland	27/01/2022	
A Malcolm	Police Service of Scotland	16/02/2021	
D Murphy	Police Superintendents' Association	02/11/2017	
R Murray	Cleveland	01/01/2022	
T Purcell	Police Service of Northern Ireland	16/07/2018	
J Robins	West Yorkshire	16/06/2016	
D Simpson	Northumbria Police	14/03/2018	
J Skelton	Nottinghamshire	12/05/2016	
L Winward	North Yorkshire	21/07/2016	
R Wood	Police Service of Scotland	08/04/2020	
N Bathgate	Police Service of Scotland	12/05/2015	18/01/2021
S Carle	Police Service of Scotland	06/02/2020	31/08/2021
P Clark	Lincolnshire	16/07/2019	03/10/2021
D Hamilton	Police Service of Scotland	08/04/2020	15/02/2021
J Harwin	Cleveland Police	12/04/2018	11/05/2021
G King	West Yorkshire	20/10/2014	31/12/2021
M Lally	Greater Manchester	01/08/2017	12/04/2021
C Moore	Police Service of Northern Ireland	09/04/2015	09/04/2021
D Orford	Durham	20/05/2015	31/12/2021

Trustee Induction and Training

With the increasing size and complexity of The Police Children's Charity it is important that the Trustees have the necessary skills and experience to both fulfil their legal duties and ensure that the appropriate management and internal controls are in place for the Trust's efficient running. The Trustees review both their membership and their performance regularly and training or professional advice is used as appropriate. On appointment, new Trustees have an induction meeting with the Chief Executive. This covers all the activities of the Charity, future strategy and their legal responsibilities and duties. An annual Trustee Training Day was run for the Trustees by an external trainer in September 2021. Further appropriate training is organised if required. The Charity appointed Patrick Cairns to the position of Chief

Executive in June 2014. The Chief Executive is appointed to manage the day to day running of the organisation and provide support to the Trustees in the strategic direction. To discharge this function the CEO works closely with Paul Grant the Deputy CEO, Peter Moore the Chief Finance Manager and Steve Cook the Human Resources Manager.

The Trustees have the following sub-committees to assist their operation.

Finance and Human Resources Committee
This sub-committee meets on a quarterly basis and oversees financial performance and human resources issues.

Investment Sub-Committee
This sub-committee meets twice a year to oversee the performance of the investment portfolio and its managers.

Public Benefit

The Police Children's Charity is a charity working for the children of police officers. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Trust's aims and objectives and in planning future activities.

All the charitable activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living. The Charity also supports children where the partner of a Police Officer has died. From 2021 the Charity will also provide counselling and wellbeing grants to the children of serving officers who donate to the charity

Our objects and funding limit the services we provide to serving and retired police officers in the North of England, North Wales, Northern Ireland and Scotland as well as British Transport Police, the Civil Nuclear Constabulary and the Ministry of Defence Police. The number of serving police officers in this catchment area is now approximately 63,000 and the number of police officers making the voluntary donation is around 29,000 (the number of retired police officers is likely to be similar). During 2021, the Trust supported 271 children within education and a further 87 within further education.

Further information about the direct beneficiaries of our services is provided in the Annual Report.

The Trust distributes grants to the families of children within education and is dependent on the weekly income of each household with each beneficiary allocated a weekly amount. The distribution of grants to children in higher education is not means tested with an annual grant to all those eligible of £1,500.

The POLICE CHILDREN'S CHARITY
formerly known as ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

TRUSTEES REPORT
(Including Directors' Report and strategic Report)
for the Year Ended 31 December 2021

Strategic Report

Financial and Operational Review 2021

The Police Children's Charity has posted financial results in line with predictions for 2021 despite difficult economic times, a global pandemic and the reduction in police officer numbers donating. In 2021 the Charity posted a profit of £402,534 compared to a deficit £97,636 in 2020. The main reason for the profit was a reduction in the provision for long term liabilities of £138,167 following the annual calculation of the provision required to support the beneficiaries through to the age of 25 together with not drawing down on the contingency fund. The Trust's investments increased by £1,086,565 which meant the net movement of funds for the year was a surplus of £1,489,099.

During 2021 the Charity worked with all Federations and Benevolent Funds to ensure those eligible were getting the support they deserved, this awareness will continue into 2021. The Trust continued to use testimonials to support its work which has a direct impact on encouraging officers to support the Charity.

During 2021 the Charity undertook a review of its title, with a view to making it more relevant and obvious in the service it provides. Following an extensive consultative review the Trustees agreed to re brand the Charity as the Police Children's Charity. This better reflect the work it does and the beneficiaries it supports

The Trustees took the decision to use the property on Lascelles Road to benefit the children and young people by allowing the house to be used for holiday stays for beneficiaries and their families. The property continued to be used as a holiday let free to beneficiaries throughout 2021 with great success. This has continued into 2022 with all school holiday weeks now typically fully booked.

Investment Income

There was a small increase in investment income in 2021 from £663,028 to £684,449. This was in line with the increase in value of investments

Support Costs

The Trust does not directly employ staff but instead operates with a service level agreement with The Police Treatment Centres ("PTC") and is charged a management charge (note 6) to cover the management and administration of the Trust.

The Investment Policy

The Investment Policy agreed by the Board of Trustees is to increase income in line with inflation while preserving the real value of capital sums invested. The breakdown, nature of investments and Investment Policy has been agreed with the PTC Trustees' Investment Sub-Committee and the PTC Finance and Human Resources Committee. The Trustees have placed restrictions on the Investment Manager's authority and the Investment Policy will be continually monitored and reviewed at six-monthly intervals.

The portfolio is invested in a multi asset fund which is managed by Cazenove.

There was an unrealised gain of £1,086,565 on investments for 2021.

Reserves Policy

The Reserves Policy agreed by the Board of Trustees is to maintain available reserves of at least £3.5 million. The Trust requires this level of reserves because it does not have a guaranteed income and this represents the Trust's ability to maintain reserves to meet commitments to current beneficiaries without the need to raise additional funds. Currently the reserves, when based on the unrestricted assets less the unrestricted liabilities, means that the Trust has sufficient reserves to meet its long-term liabilities.

In addition, the Trustees recognise that the value of annual benefits disbursed to beneficiaries cannot be met by the value of annual officer donations alone, therefore they have also resolved to retain sufficient reserves to generate enough income through its investments to support the revenue budget and the disbursement of those monies to beneficiaries. The Reserves Policy will be continually monitored and reviewed on an annual basis.

Future Plans

The Trust has created a stable footing from which it can move forward and provide support to children who have a lost a parent throughout their education. The key objectives for 2022 are:

- To run a national recruitment campaign offering an amnesty for those signing up to access benefits immediately
- To ensure the name change and rebrand is circulated amongst forces.
- To promote the changes agreed by the Trustees to all Police Officers within our constituent forces;
- To continue its awareness campaign to increase the number of officers that are donating to the Charity; and
- To review the benefits available to beneficiaries.

Employees and Volunteers

The Trust does not employ anyone directly but has a Service Level Agreement with The Police Treatment Centres to manage the service.

Risk Management

The Trustees have a risk management strategy which comprises a quarterly review of the Risk Register by the Finance and Human Resources Committee and an annual review of any key risks to the Trust by the full Board. The strategy identifies and establishes systems and actions to mitigate those risks and implement procedures designed to minimise any potential impact on the Trust should those risks materialise. A register has been prepared covering significant risks using the accepted criteria of likelihood of occurrence and potential impact on the Trust's activities.

This register was prepared in conjunction with management of the PTC and is kept under review with a formal update being performed when required. Following a detailed analysis of the Trust's operations, key risks were documented and where necessary, plans to mitigate them have been introduced.

Post Balance Sheet Events

The United Kingdom continued to be affected by the pandemic coronavirus (COVID-19). The Trust, if required has put in place contingency plans which will allow the current beneficiaries to be paid on a quarterly basis together with sufficient cash reserves to make payments for the foreseeable future. Income comes through salary sacrifice direct from Police Officer's pay and it is unlikely that there will be any significant reductions in donor numbers at this point. The other main source of income is through dividends from the Trust's investments. While there is expected to be volatility around the value of the investments it is unlikely this will have a long-term impact on the dividends. The Trust has significant reserves and it is considered that this will support it through the economic turbulence of the pandemic.

Trustees' Responsibilities

The Charity Trustees (who are also the Directors of The Police Children's Charity for the purposes of company law) are responsible for preparing a Trustees' Annual Report and 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 the year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of the resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting 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 company will continue its business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Murray Harcourt Limited was appointed as statutory auditor on 31 August 2016 and has indicated its willingness to continue in office.

Statement of disclosure of information to auditor

The Trustees confirm that, at the date of the approval of these financial statements, so far as they are each aware:

- there is no relevant information of which the company's auditor is unaware; and
- they have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Trustees



A Grandison (Chair of the Finance and Human Resources Committee)

Date: 05/05/2022

The POLICE CHILDREN'S CHARITY
formerly known as ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

INDEPENDENT AUDITOR'S REPORT
for the Year Ended 31 December 2021

Opinion

We have audited the financial statements of The Police Children's Charity (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities (Incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

It is not possible to predict with certainty the potential impact of future developments in both the charitable company's trading environment or in the broader economy. Because of this, the above statements should not be interpreted as a guarantee that the charitable company will continue to operate as a going concern.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (including the Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of the directors on procedures relating to their processes for identifying, evaluating and complying with laws and regulations and for detecting and responding to the risks of fraud;
- obtaining an understanding of the legal and regulatory frameworks applicable to the entity. The most significant considerations identified were the Companies Act 2006, the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and employment tax legislation; and
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas:
    - management override of controls; and
    - revenue recognition.

We designed and executed procedures in line with our responsibilities to detect material misstatements in respect of irregularities, including fraud. These procedures, together with the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations and to identify any irregularities or instances of fraud;
- We tested the appropriateness of a sample of accounting journals;
- We reviewed the Company's accounting policies for non-compliance with relevant accounting standards;
- We considered significant accounting estimates for evidence of misstatement; and
- We considered the appropriateness of the revenue recognition policies.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements. There are inherent limitations in the audit procedures performed not least due to the following:

- the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve deliberate concealment; and
- the further removed the non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of this report

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

Steven Williams FCA
Senior Statutory Auditor
Murray Harcourt Limited
6 Queen Street
Leeds
LS1 2TW

Date: 14/6/22

The POLICE CHILDREN'S CHARITY
formerly known as ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 December 2021

	Notes	Unrestricted funds	Restricted funds	Endowment funds	2021 Total	2020 Total
		£	£	£	£	£
Income from:						
Donations and legacies	2	531,047	-	-	**531,047**	557,228
Investments	3	684,704	-	-	**684,704**	664,863
Total income		1,215,751	-	-	**1,215,751**	1,222,091
Expenditure on:						
Raising funds	4	41,431	-	33,630	**75,061**	68,445
Charitable activities	5	738,156	-	-	**738,156**	1,251,282
Total expenditure		779,587		33,630	**813,217**	1,319,727
Net gains on investments	11	599,752		486,813	**1,086,565**	457,560
Net income/(expenditure)		1,035,916	-	453,183	**1,489,099**	359,924
Net movement in funds		1,035,916	-	453,183	**1,489,099**	359,924
Reconciliation of funds						
Total funds brought forward		7,029,924	-	7,304,601	**14,334,525**	13,974,601
Total funds carried forward		8,065,840	-	7,757,784	**15,823,624**	14,334,525

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net surplus for the year of £402,534 (2020: deficit of £97,636) plus the net unrealised gain on investments of £1,086,565 (2020: £457,560), amounting to a surplus of £1,489,099 (2020: £359,924).

The notes on pages 23 to 34 form an integral part of these financial statements

The POLICE CHILDREN'S CHARITY
formerly known as ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

BALANCE SHEET
for the Year Ended 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	10		**374,031**		382,937
Investments	11		**18,720,176**		17,524,196
			19,094,207		17,907,133
Current assets					
Debtors	12	**121,345**		157,154	
Cash at bank and in hand	21	**602,189**		396,799	
		723,534		553,953	
Liabilities					
Creditors: amounts falling due within one year	13	**(73,693)**		(67,970)	
Net current assets			**649,841**		485,983
Total assets less current liabilities			**19,744,048**		18,393,116
Provisions for liabilities	14		**(3,920,424)**		(4,058,591)
Total net assets			**15,823,624**		14,334,525
The funds of the charity					
Unrestricted funds	16		**8,065,840**		7,029,924
Endowment funds	17		**7,757,784**		7,304,601
Total charity funds			**15,823,624**		14,334,525

The financial statements were approved by the Trustees and authorised for issue on 05/Jan/2022.

and signed on its behalf by:

A Grandison
Trustee

The notes on pages 23 to 34 form an integral part of these financial statements

The POLICE CHILDREN'S CHARITY
formerly known as ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

CASH FLOW STATEMENT
for the Year Ended 31 December 2021

	Notes	2021 £	2020 £
Cash flow from operating activities	20	**(367,940)**	(460,505)
Net cash flow from operating activities		**(367,940)**	(460,505)
Cash flow from investing activities			
Purchase of investments	11	**(560,000)**	-
Dividends and interest received		**684,704**	664,863
Net cash flow from investing activities		**124,704**	664,863
Net (decrease) / increase in cash and cash equivalents		**(243,236)**	204,538
Cash and cash equivalents at start of period		**1,381,656**	1,177,298
Cash and cash equivalents at end of period	21	**1,138,420**	1,381,656

The closing cash balance represents the net funds of the Charity.

NOTES TO FINANCIAL STATEMENTS
for the Year Ended 31 December 2021

1. Summary of significant accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 General information and basis of preparation

The Police Children's Charity is a company limited by guarantee incorporated in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The charity's activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice (GAAP).

Assets and liabilities

The charitable company commenced trade on 1 January 2013. The charitable company has obtained a linking order with St George's Police Trust (Charity Number 1147445-1).

St George's Police Children Trust is considered to be the Reporting Charity for the two organisations.

On 1 January 2013 the trade and assets not restricted by a permanent endowment, of the St George's Police Trust were transferred to the St George's Police Children Trust at fair market value (where the Trustees have assessed fair market value as being equal to book value). The fair market value of this transfer totalled £3,943,863.

The remaining assets of the St George's Police Trust have been accounted for as a restricted branch within the permanent endowment fund. Subsequent transactions have been recognised within the permanent endowment fund in accordance with the requirements of the SORP and the Charities Act 2011.

The nature of these transactions and the linking order are considered to represent a group restructuring exercise. As such merger accounting has been used to reflect the transaction as it meets the criteria for such accounting under Financial Reporting Standard 102 and the SORP 2015.

Due to the strong position of the balance sheet and level of liquid resources, the Trustees have identified no material uncertainties that may cast significant doubt over the ability of the charity to continue as a going concern.

1.2 Fund accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the Trustees for specific purposes.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds are those donated whereby the fund cannot be used as if it were income. Subsequently the fund represents an investment in capital that is utilised in achieving the charity's objectives.

Income generated by the endowment fund will be recognised within unrestricted income funds whilst the capital gains and losses and the cost incurred in maintaining and safeguarding the capital will be credited/charged against the endowment fund.

1.3 Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and receipt is probable. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that receipt is probable, the amount involved can be quantified and the charity is entitled to the income.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost. All items of a capital nature over £500 are included at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	- 2% straight line
Freehold land	- not depreciated
Fixtures, fittings and equipment	- 25% straight line

1.6 Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

1.7 Grants

Grants payable are accounted for on an accruals basis and in accordance with FRS 102 to the extent that, where a constructive obligation to continue payments to existing recipients is considered to exist, as a result of a past event, full provision is made for the total expected future payments to be made, discounted to reflect inflation. Grants are paid in line with the objects of the Trust which are to benefit the children of police officers (serving and retired) whose parent is either dead or incapacitated from earning a living.

1.8 Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past events.

1.9 Debtors and creditors receivable / payable within one year

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

1.10 Current asset investments

Funds held on deposit and classified as current asset investments are stated at market value at the balance sheet date. Any difference between cost and market value is adjusted for through the Statement of Financial Activities.

1.11 Taxation

The Charity is exempt from tax on income and gains falling within sections 472-489 of the Corporation Tax Act 2011 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Provisions for future grant obligations

The charity makes a provision in respect of its obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. Inflation is considered to be 2%. The key assumptions used in calculating the required provision are reviewed annually and adjusted where necessary to reflect changes in economic conditions and the circumstances of the grant recipients. The carrying value of the provision for future grant payments is detailed in note 14 to the financial statements.

Income recognition

The financial statements include accrued income of £41,261 (2020: £42,555) in respect of management's estimate of officers donations pledged but not yet remitted to the organisation as at the reporting date. The amount of income due is calculated based on management's estimate of the number of officers donating. The differences between expected income and amounts remitted in the period are recognised as accrued income.

2. Income from donations and legacies

	Unrestricted funds £	Endowment funds £	2021 Total £	2020 Total £
Donations	13,460	-	**13,460**	11,126
Officers donations	517,587	-	**517,587**	546,102
	531,047	-	**531,047**	557,228

All income from donations and legacies was attributable to unrestricted funds in both reporting periods.

3. Investment income

	Unrestricted funds £	Endowment funds £	2021 Total £	2020 Total £
Income from UK listed investments	684,449	-	**684,449**	663,028
Bank interest receivable	255	-	**255**	1,835
	684,704	-	**684,704**	664,863

All income from investments was attributable to unrestricted funds in both reporting periods.

4. Expenditure on raising funds

	Unrestricted funds £	Endowment funds £	2021 Total £	2020 Total £
Investment management fees	41,431	33,630	**75,061**	68,445
	41,431	33,630	**75,061**	68,445

Expenditure on raising funds was £75,061 (2020: £68,445) of which £33,630 (2020: £30,665) was attributable to endowment and £41,431 (2020: £37,780) was attributable to unrestricted funds.

5. Expenditure on charitable activities

	Activities undertaken directly £	Support costs £	2021 Total £	2020 Total £
Grant making – unrestricted	585,564	147,587	**733,151**	1,247,070
Governance costs (note 6)	-	5,005	**5,005**	4,212
	585,564	152,592	**738,156**	1,251,282

All expenditure on charitable activities was attributable to unrestricted funds in both reporting periods.

Grants are paid to benefit the children of police officers (serving or retired) whose parent is either dead or incapacitated from earning a living.

Support costs include the management charge of £130,000 (2020: £130,000) from The Police Treatment Centres (see note 18) which covers personnel and establishment costs.

The cost of charitable activities above reflects the movement in the assessment of the provision for future liabilities (see note 14) which is itself dependent on the grants made and financial circumstances of the grant beneficiary.

6. Analysis of governance and support costs

	General support costs £	Governance costs £	2021 Total £	2020 Total £
Management charge – Police Treatment Centres	130,000	-	**130,000**	130,000
Communication and Information Technology	1,420	-	**1,420**	1,237
Other office expenses	7,261	-	**7,261**	7,176
Depreciation – owned assets	8,906	-	**8,906**	8,905
Legal and other professional fees	-	1,105	**1,105**	312
Auditor's remuneration	-	3,900	**3,900**	3,900
	147,587	5,005	**152,592**	151,530

7. Net income/(expenditure) for the year

	2021 £	2020 £
Net income/(expenditure) is stated after charging:		
Depreciation – owned assets	**8,905**	8,905
Auditor's remuneration	**3,900**	3,900

8. Employees

	2021 £	2020 £
Management charge	**130,000**	130,000

No employee received emoluments of more than £60,000 in the year (2020: None).

All personnel costs are borne by The Police Treatment Centres and are included in the management charge of £130,000 (2020: £130,000) for the year. The management charge covers establishment costs, legal and professional fees, the costs of St George's Trust Benefits Review as well as personnel costs.

9. Trustees' emoluments

No Trustees received remuneration from the charity during the year (2020: None). In addition, no Trustees received expenses from the charity during the year (2020: None).

10. Tangible fixed assets

	Fixtures, fittings and equipment £	Freehold land and buildings £	Total £
Cost			
At 1 January and 31 December 2021	5,093	445,273	**450,366**
Depreciation			
At 1 January 2021	5,093	62,336	**67,429**
Charge for the year	-	8,906	**8,906**
At 31 December 2021	5,093	71,242	**76,335**
Net book values			
At 31 December 2021	-	374,031	**374,031**
At 31 December 2020	-	382,937	**382,937**

11. Fixed asset investments

	Endowed listed investments £	Unrestricted listed investments £	Endowment cash held as part of investment portfolio £	Unrestricted cash held as part of investment portfolio £	Total £
Valuation					
As at 1 January 2021	7,410,109	9,129,230	(105,508)	1,090,365	**17,524,196**
Management fees	-	-	(33,630)	(41,431)	**(75,061)**
Distributions received	-	-	-	684,449	**684,449**
Interest	-	-	-	27	**27**
Transfers	-	560,000	-	(560,000)	-
Withdrawals	-	-	-	(500,000)	**(500,000)**
Equalisation	-	-	667	822	**1,489**
Revaluation	485,935	598,671	211	259	**1,085,076**
As at 31 December 2021	7,896,044	10,287,901	(138,260)	674,491	**18,720,176**
Historic cost at 31 December 2021	5,773,951	7,114,332	(138,260)	674,491	**13,424,514**

All investments are held in the UK.

If a decision were taken to dispose of unrestricted investments at a future date to fund charitable expenditure, legal advice and regulatory consultation would be sought to ensure no liens are held over the assets.

Under the terms of the Endowment fund there is no restriction upon the transfer of income generated. As such, any income generated by the Endowed investments are added to the Unrestricted investments.

12. Debtors

	2021 £	2020 £
Prepayments and accrued income	**121,345**	157,154
	121,345	157,154

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade Creditors	**427**	500
The Police Treatment Centres current account	**46,222**	44,710
Accruals and deferred income	**27,044**	22,760
	73,693	67,970

14. Provisions for liabilities

	2021 £	2020 £
At 1 January 2021	**4,058,591**	3,733,802
Utilised in the year	**(723,731)**	(774,963)
Charge for the year	**585,564**	1,099,752
At 31 December 2021	**3,920,424**	4,058,591

The provision relates to the obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. Inflation is considered to be 2%. The amount of the provision estimated to be payable in one year is £723,731 (2020: £774,963).

15. Analysis of net assets between funds

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Fund balances at 31 December 2021 as represented by:				
Tangible assets	-	-	374,031	**374,031**
Investment assets	7,757,784	-	10,962,392	**18,720,176**
Current assets	-	-	723,534	**723,534**
Current liabilities	-	-	(73,693)	**(73,693)**
Long-term liabilities	-	-	(3,920,424)	**(3,920,424)**
	7,757,784	-	8,065,840	**15,823,624**

16. Unrestricted funds

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2021 £
General fund	7,029,924	1,215,751	(779,587)	599,752	**8,065,840**

Purposes of unrestricted funds

The general fund is for the payment of grants to orphaned children of police officers and children of officers that have been incapacitated to help with their maintenance whilst in full time education.

17. Permanent Endowment funds

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2021 £
Investments	7,304,601	-	(33,630)	486,813	**7,757,784**

Purpose of endowment funds

The endowment fund was donated to ensure the charity had sufficient assets to achieve its charitable objectives.

18. Related party transactions

The Trust operates from the premises of The Police Treatment Centres. All personnel costs are paid by this charity. A management charge of £130,000 (2020: £130,000) has been charged by The Police Treatment Centres to the Trust.

At 31 December 2021, £46,222 (2020: £44,710) was owed to The Police Treatment Centres in respect of its current account with the Trust.

19. Indemnity insurance

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect or defaults of Trustees or staff and any consequent loss.

20. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income / (expenditure) for year	**1,489,099**	359,924
Depreciation and impairment of tangible fixed assets	**8,906**	8,905
(Gains) / losses on investments	**(1,086,565)**	(457,560)
Interest and dividends received	**(684,704)**	(664,863)
Increase in provisions (net of payments)	**(138,167)**	324,789
Decrease / (increase) in debtors	**35,809**	(28,984)
Increase / (decrease) in creditors	**7,682**	(2,716)
Net cash outflow from operating activities	**(367,940)**	(460,505)

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	**602,189**	396,799
Cash held in investment portfolio	**536,231**	984,857
Net cash	**1,138,420**	1,381,656

22. Financial instruments

The carrying amounts of the Charity's financial instruments are as follows:

	2021 £	2020 £
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset listed investments (note 11)	**18,720,176**	17,524,196
Equity instruments measured at cost less impairment:		
- Current asset investments	**-**	-
Measured at amortised cost:		
- Accrued income	**41,261**	42,555

22. Financial instruments (continued)

Financial liabilities

Measured at amortised cost		
- Trade creditors (note 13)	**427**	500
- The Police Treatment Centres current account (note 13)	**46,222**	44,710
- Accruals (note 13)	**27,044**	22,760
	73,693	67,970

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

	2021	**2020**
	£	**£**
Income and expense		
Financial assets measured at fair value through net income / expenditure	**684,449**	663,028
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income / expenditure	**1,086,565**	457,560

The Police Children's Charity

England & Wales - Charity number 1147445

Accounts

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

FOR

ST GEORGE'S POLICE CHILDREN TRUST

Charity Number: 1147445
Scottish Charity Number: SC043652
Company Number: 07822521

ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

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ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Number:	1147445
Scottish Charity Number:	SC043652
Company Number:	07822521
Business Address:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Registered Office:	St. Andrews Harlow Moor Road Harrogate HG2 0AD
Auditor:	Murray Harcourt Limited Registered Auditors 6 Queen Street Leeds LS1 2TW
Bankers:	Barclays Bank Plc 25 James Street Harrogate HG1 1QX
Investment Advisors:	Cazenove Capital Management 12 Moorgate London EC2R 6DA

ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

TRUSTEES' REPORT
(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
for the Year Ended 31 December 2020

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, submit their Annual Report and audited accounts for the St George's Police Children Trust (the Company) for the year ended 31 December 2020. The Trustees confirm that the Annual Report and financial statements comply with current statutory requirements. The principal site and registered office for the Charity is St Andrews, Harlow Moor Road, Harrogate, HG2 0AD.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The St George's Police Children Trust was registered as an incorporated charity on 25 October 2011 and commenced trading on 1 January 2013. On 1 January 2013 the trade and assets not restricted by permanent endowment of the St George's Police Trust (SGPT) were transferred to the St George's Police Children Trust at fair market value. The St George's Police Children Trust has been granted a linking order between the two Charities to enable consolidated accounts to be prepared. The St George's Police Children Trust therefore acts as the corporate Trustee of the existing charity, the St George's Police Trust. The St George's Police Trust remains registered with the charities commission (1147445-1). The governing documents were last reviewed on the 8 August 2016.

The Company is registered as a charitable company limited by guarantee, registered Charity Commission number 1147445 and OSCR SC043652, and was set up by a Trust deed and is governed by the Memorandum and Articles of Association.

The principal objective of the St George's Police Children Trust is contained in the Memorandum and Articles of Association as follows:

I. The Charity's objects are specifically restricted to the relief of those in need by reason of ill-health, disability, financial hardship or other disadvantage for the public benefit in particular but not limited to support children and young people up to the age 25 where a parent who is, or was, a serving officer, has died or has become incapacitated in some way that affects earning capability. The eligibility was extended in 2019 to cover the death of a Police Officer's partner. From 2021 the Charity will also provide counselling and wellbeing grants to the children of serving officers who donate to the charity.

Organisational Structure

The Charity is run by Trustees (Directors of the Company) who are elected from the following organisations:

i. Six Trustees appointed by the National Police Chiefs' Council of England, Wales and Northern Ireland (NPCC);
ii. One Trustee appointed by the Scottish Chief Police Officers' Staff Association (SCPOSA);
iii. Two Trustees appointed by the Police Superintendents' Association of England and Wales (PSAEW);
iv. One Trustee appointed by the Association of Scottish Police Superintendents (ASPS);
v. One Trustee appointed by the Superintendents' Association of Northern Ireland (SANI);
vi. Six Trustees appointed by the Police Federation of England and Wales (PFEW), of whom at the date of their appointment two are to be Police Inspectors, two are to be Police Sergeants and two are to be Police Constables;
vii. Three Trustees appointed by the Scottish Police Federation (SPF) of whom at the date of their appointment one is to be a Police Inspector, one is to be a Police Sergeant and one is to be a Police Constable;

Organisational Structure (continued)

viii. One Trustee appointed jointly by the Police Federations of the British Transport Police, Civil Nuclear Constabulary and the Ministry of Defence Police;
ix. Three Trustees appointed by the Police Federation of Northern Ireland (PFNI) of whom at the date of their appointment one is to be a Police Inspector, one is to be a Police Sergeant and one is to be a Police Constable; and
x. Up to six Co-Opted Trustees at any one time who are appointed by the Trustees.

The current membership is as follows:

Name	Force	Appointment Date	Termination Date
L Kelly (Chair)	Police Service of Northern Ireland	13/06/2018	
J Skelton	Nottinghamshire	12/05/2016	
A Grandison (Vice Chair)	West Yorkshire	22/09/2014	
R Barber	South Yorkshire	25/05/2016	
A McLaren	Police Service of Scotland	01/12/2018	06/12/2020
N Bathgate	Police Service of Scotland	12/05/2015	19/01/2020
P Booth	North Yorkshire	01/10/2016	06/12/2020
M Lally	Greater Manchester	01/08/2017	12/04/2021
A MacDonald	Police Service of Scotland	11/05/2017	06/02/2020
S Martin	Police Service of Northern Ireland	01/11/2018	31/01/2020
S Carle	Police Service of Scotland	06/02/2020	
D Hamilton	Police Service of Scotland	08/04/2020	15/02/2021
R Wood	Police Service of Scotland	08/04/2020	
M Davis	Co-Opted Trustee	11/05/2017	
C Moore	Police Service of Northern Ireland	13/06/2018	09/04/2021
R Dutton	Co-Opted Trustee	21/11/2013	
B Jones	Police Service of Scotland	16/02/2021	
P Clark	Lincolnshire	16/07/2019	
P Hilman	Police Service of Northern Ireland	07/02/2019	30/04/2020
E Shakespeare	Co-Opted Trustee	31/10/2019	02/10/2020
T Purcell	Police Service of Northern Ireland	16/07/2018	
D Orford	Durham	20/05/2015	
G McDowall	Police Service of Scotland	11/05/2017	06/02/2020
I Hopkins	Greater Manchester	21/01/2016	23/12/2020
G King	West Yorkshire	20/10/2014	
A Lees	Co-Opted (NARPO)	02/08/2016	
D Murphy	Police Superintendents Association	02/11/2017	
D Simpson	Northumbria Police	14/03/2018	
D Townsend	British Transport Police	01/09/2015	31/03/2020
J Robins	West Yorkshire	16/06/2016	
J Harwin	Cleveland Police	12/04/2018	
L Winward	North Yorkshire	21/07/2016	
E Aldred	North Yorkshire	07/12/2020	
N Goodband	British Transport Police	16/07/2020	
W Kerr	Police Service of Scotland	07/12/2020	
A Malcolm	Police Service of Scotland	16/02/2021	

Trustee Induction and Training

With the increasing size and complexity of the St George's Police Children Trust it is important that the Trustees have the necessary skills and experience to both fulfil their legal duties and ensure that the appropriate management and internal controls are in place for the Trust's efficient running. The Trustees review both their membership and their performance regularly and training or professional advice is used as appropriate. On appointment, new Trustees have an induction meeting with the Chief Executive. This covers all the activities of the Charity, future strategy and their legal responsibilities and duties. Normally an annual Trustee Training Day is run for the Trustees by an external trainer but in June 2020 this had to be cancelled due to Covid 19. Further appropriate training is organised if required.

The Charity appointed Patrick Cairns to the position of Chief Executive in June 2014. The Chief Executive is appointed to manage the day to day running of the organisation and provide support to the Trustees in the strategic direction. To discharge this function the CEO works closely with Paul Grant the Deputy CEO, Peter Moore the Chief Finance Manager and Steve Cook the Human Resources Manager.

The Trustees have the following sub-committees to assist their operation:

Finance and Human Resources Committee
This sub-committee meets on a quarterly basis and oversees financial performance and human resources issues.

Investment Sub-Committee
This sub-committee meets twice a year to oversee the performance of the investment portfolio and its managers.

Public Benefit

St George's Police Children Trust is a charity working for the children of police officers. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Trust's aims and objectives and in planning future activities.

All the charitable activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living. The Charity also supports children where the partner of a Police Officer has died. From 2021 the Charity will also provide counselling and wellbeing grants to the children of serving officers who donate to the charity.

Our objects and funding limit the services we provide to serving and retired police officers in the North of England, North Wales, Northern Ireland and Scotland as well as British Transport Police, the Civil Nuclear Constabulary and the Ministry of Defence Police. The number of serving police officers in this catchment area is now approximately 62,000 and the number of police officers making the voluntary donation is around 29,000 (the number of retired police officers is likely to be similar). During 2020, the Trust supported 257 children within education and a further 87 within further education.

Further information about the direct beneficiaries of our services is provided in the Annual Report.

The Trust distributes grants to the families of children within education and is dependent on the weekly income of each household with each beneficiary allocated a weekly amount. The distribution of grants to children in higher education is not means tested with an annual grant to all those eligible of £1,500.

ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

TRUSTEES' REPORT
(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
for the Year Ended 31 December 2020

Strategic Report

Financial and Operational Review 2020

The St George's Police Children Trust has posted financial results in line with predictions for 2020 despite difficult economic times, a global pandemic and the reduction in police officer donor numbers to the charity. In 2020 the Charity posted a deficit of £97,636 compared to a deficit £7,228 in 2019. The main reason for the deficit was an increase in the provision for long term liabilities of £324,789 following the annual calculation of the provision required to support the beneficiaries through to the age of 25. The Trust's investments increased by £457,560 which meant the net movement of funds for the year was a surplus of £359,724.

During 2020 the Trust worked with all Federations and Benevolent Funds to ensure those eligible children were getting the support they deserved, this work will continue into 2021. The Trust continued to use testimonials to support its work which has a direct impact on encouraging officers to support the Charity.

During 2020 the Trust undertook a review of the range of benefits it offers to beneficiaries. This review was conducted by the Trustees and Senior Management team through the Trustees Executive Group. At the February 2021 board meeting the Trustees approved the following major additions to the benefits offered by the Trust and these were implemented from 1 January 2021

- To make available a counselling grant of £1,000 for children of officers where the police officer is still serving and donates.
- Ex gratia wellbeing grant for children of officers where the police officer is still serving and donates.

The Trustees took the decision to use the property on Lascelles Road to benefit the children and young people by allowing the house to be used for holiday stays for beneficiaries and their families. The property continued to be used as a holiday let free to beneficiaries throughout 2020 with great success. This has continued into 2021 with all school holiday weeks now typically fully booked.

Investment Income

There was a small increase in investment income in 2020 from £635,455 to £663,028.

Support Costs

The Trust does not directly employ staff but instead operates with a service level agreement with The Police Treatment Centres ("PTC") and is charged a management charge (note 6) to cover the management and administration of the Trust.

The Investment Policy

The Investment Policy agreed by the Board of Trustees is to increase income in line with inflation while preserving the real value of capital sums invested. The breakdown, nature of investments and Investment Policy has been agreed with the PTC Trustees' Investment Sub-Committee and the PTC Finance and Human Resources Committee. The Trustees have placed restrictions on the Investment Manager's authority and the Investment Policy will be continually monitored and reviewed at six-monthly intervals.

The portfolio is invested in a multi asset fund which is managed by Cazenove.

There was an unrealised gain of £457,560 on investments for 2020.

Reserves Policy

The Reserves Policy agreed by the Board of Trustees is to maintain available reserves of at least £3.5 million. The Trust requires this level of reserves because it does not have a guaranteed income and this represents the Trust's ability to maintain reserves to meet commitments to current beneficiaries without the need to raise additional funds. Currently the reserves, when based on the unrestricted assets less the unrestricted liabilities, mean that the Trust has sufficient reserves to meet its long-term liabilities.

In addition, the Trustees recognise that the value of annual benefits disbursed to beneficiaries cannot be met by the value of annual officer donations alone, therefore they have also resolved to retain sufficient reserves to generate enough income through its investments to support the revenue budget and the disbursement of those monies to beneficiaries. The Reserves Policy will continually to be monitored and reviewed on an annual basis.

Future Plans

The Trust has created a stable footing from which it can move forward and provide support to children who have a lost a parent throughout their education. The key objectives for 2021 are:

- To promote the changes agreed by the Trustees to all Police Officers within our constituent forces;
- To continue its awareness campaign to increase the number of officers that are donating to the Charity; and
- To create a Fundraising and PR Strategy to increase awareness of the Trust within forces to ensure it is supporting all those who are eligible;
- To review the benefits available to beneficiaries.

Employees and Volunteers

The Trust does not employ anyone directly but has a Service Level Agreement with The Police Treatment Centres to manage the service.

Risk Management

The Trustees have a risk management strategy which comprises a quarterly review of the Risk Register by the Finance and Human Resources Committee and an annual review of any key risks to the Trust by the full Board. The strategy identifies and establishes systems and actions to mitigate those risks and implement procedures designed to minimise any potential impact on the Trust should those risks materialise. A Risk Register has been prepared covering significant risks using the accepted criteria of likelihood of occurrence and potential impact on the Trust's activities.

This Register was prepared in conjunction with management of the PTC and is kept under review with a formal update being performed when required. Following a detailed analysis of the Trust's operations, key risks were documented and where necessary, plans to mitigate them have been introduced.

Post Balance Sheet Events

The United Kingdom continued to be affected by the pandemic coronavirus (COVID-19) with most businesses including St George's Police Children Trust being asked to shut down and for staff to work from home from January 2021. The Trust has put in place contingency plans which will allow the current beneficiaries to be paid on a quarterly basis together with sufficient cash reserves to make payments for the foreseeable future. Income comes through salary sacrifice direct from Police Officer's pay and it is unlikely that there will be any significant reductions in donations at this point. The other main source of income is through dividends from the Trust's investments. While there is expected to be volatility around the value of the investments it is unlikely this will have a long-term impact on the dividends. The Trust has significant reserves and it is considered that this will support it through the economic turbulence of the pandemic

Trustees' Responsibilities

The Charity Trustees (who are also the Directors of St George's Police Children Trust for the purposes of company law) are responsible for preparing a Trustees' Annual Report and 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 the year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of the resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting 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 company will continue its business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Murray Harcourt Limited was appointed as statutory auditor on 31 August 2016 and has indicated its willingness to continue in office.

ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

TRUSTEES' REPORT
(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
for the Year Ended 31 December 2020

Statement of disclosure of information to auditor

The Trustees confirm that, at the date of the approval of these financial statements, so far as they are each aware:

- there is no relevant information of which the company's auditor is unaware; and
- they have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Trustees



A Grandison (Chair of the Finance and Human Resources Committee)

Date: 06/05/2021

ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

INDEPENDENT AUDITOR'S REPORT
for the Year Ended 31 December 2020

Opinion

We have audited the financial statements of St George's Police Children Trust (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities (Incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, it is not possible to predict with certainty the potential impact of future developments in both the charitable company's trading environment or in the broader economy. Because of this, the above statements should not be interpreted as a guarantee that the charitable company will continue to operate as a going concern.

Other Information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (including the Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of the directors on procedures relating to their processes for identifying, evaluating and complying with laws and regulations and for detecting and responding to the risks of fraud;
- obtaining an understanding of the legal and regulatory frameworks applicable to the entity. The most significant considerations identified were the Companies Act 2006, the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and employment tax legislation; and
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas:
    - management override of controls; and
    - revenue recognition.

We designed and executed procedures in line with our responsibilities to detect material misstatements in respect of irregularities, including fraud. These procedures, together with the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations and to identify any irregularities or instances of fraud;
- We tested the appropriateness of a sample of accounting journals;
- We reviewed the Company's accounting policies for non-compliance with relevant accounting standards;
- We considered significant accounting estimates for evidence of misstatement; and
- We considered the appropriateness of the revenue recognition policies.

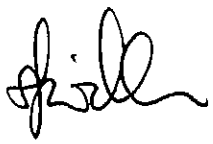
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements. There are inherent limitations in the audit procedures performed not least due to the following:

- the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve deliberate concealment; and
- the further removed the non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Williams FCA
Senior Statutory Auditor
Murray Harcourt Limited
6 Queen Street
Leeds
LS1 2TW

Date: 11/5/21

ST GEORGE'S POLICE CHILDREN TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 December 2020

	Notes	Unrestricted funds	Restricted funds	Endowment funds	2020 Total	2019 Total
		£	£	£	£	£
Income from:						
Donations and legacies	2	557,228	-	-	557,228	527,805
Investments	3	664,863	-	-	664,863	641,386
Total income		1,222,091	-	-	1,222,091	1,169,191
Expenditure on:						
Raising funds	4	37,780	-	30,665	68,445	78,477
Charitable activities	5	1,251,282	-	-	1,251,282	1,097,942
Total expenditure		1,289,062	-	30,665	1,319,727	1,176,419
Net gains on investments	11	252,560	-	205,000	457,560	1,192,895
Net income/(expenditure)		185,589	-	174,335	359,924	1,185,667
Net movement in funds		185,589	-	174,335	359,924	1,185,667
Reconciliation of funds						
Total funds brought forward		6,844,335	-	7,130,266	13,974,601	12,788,934
Total funds carried forward		**7,029,924**	**-**	**7,304,601**	14,334,525	13,974,601

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net deficit for the year of £97,636 (2019 – £7,228 deficit) plus the net unrealised gain on investments of £457,560 (2019 - £1,192,895), amounting to a surplus of £359,924 (2019 – surplus of £1,185,667).

The notes on pages 16 to 27 form an integral part of these financial statements

ST GEORGE'S POLICE CHILDREN TRUST
Company Number: 07822521

BALANCE SHEET
As at 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	10		382,937		391,842
Investments	11		17,524,196		16,721,737
			17,907,133		17,113,579
Current assets					
Debtors	12	157,154		128,170	
Cash at bank and in hand	21	396,799		540,919	
		553,953		669,089	
Liabilities					
Creditors: amounts falling due within one year	13	(67,970)		(74,265)	
Net current assets			485,983		594,824
Total assets less current liabilities			18,393,116		17,708,403
Provisions for liabilities	14		(4,058,591)		(3,733,802)
Total net assets			14,334,525		13,974,601
The funds of the charity					
Unrestricted funds	16		7,029,924		6,844,335
Endowment funds	17		7,304,601		7,130,266
Total charity funds			14,334,525		13,974,601

The financial statements were approved by the Trustees and authorised for issue on 06/05/2021

and signed on its behalf by:

A Grandison
Trustee

The notes on pages 16 to 27 form an integral part of these financial statements

ST GEORGE'S POLICE CHILDREN TRUST

STATEMENT OF CASH FLOWS
For the Year Ended 31 December 2020

	Notes	2020 £	2019 £
Cash flow from operating activities	20	(460,505)	(316,655)
Net cash flow from operating activities		(460,505)	(316,655)
Cash flow from investing activities			
Payments to acquire listed investments	11	-	(750,000)
Dividends and interest received		664,863	641,386
Net cash flow from investing activities		664,863	(108,614)
Net (decrease) / increase in cash and cash equivalents		204,358	(425,269)
Cash and cash equivalents at start of period		1,177,298	1,602,567
Cash and cash equivalents at end of period	21	1,381,656	1,177,298

The closing cash balance represents the net funds of the Charity.

1. Summary of significant accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 General information and basis of preparation

St George's Police Children Trust is a company limited by guarantee incorporated in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The charity's activities focus on the provision of financial support to the children of serving and retired police officers who have died or who have been incapacitated from earning a living.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice (GAAP).

Assets and liabilities

The charitable company commenced trade on 1 January 2013. The charitable company has obtained a linking order with St George's Police Trust (Charity Number 1147445-1).

St George's Police Children Trust is considered to be the Reporting Charity for the two organisations.

On 1 January 2013 the trade and assets not restricted by a permanent endowment, of the St George's Police Trust were transferred to the St George's Police Children Trust at fair market value (where the Trustees have assessed fair market value as being equal to book value). The fair market value of this transfer totalled £3,943,863.

The remaining assets of the St George's Police Trust have been accounted for as a restricted branch within the permanent endowment fund. Subsequent transactions have been recognised within the permanent endowment fund in accordance with the requirements of the SORP and the Charities Act 2011.

The nature of these transactions and the linking order are considered to represent a group restructuring exercise. As such merger accounting has been used to reflect the transaction as it meets the criteria for such accounting under Financial Reporting Standard 102 and the SORP 2015.

Due to the strong position of the balance sheet and level of liquid resources, the Trustees have identified no material uncertainties that may cast significant doubt over the ability of the charity to continue as a going concern.

1.2 Fund accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the Trustees for specific purposes.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds are those donated whereby the fund cannot be used as if it were income. Subsequently the fund represents an investment in capital that is utilised in achieving the charity's objectives.

Income generated by the endowment fund will be recognised within unrestricted income funds whilst the capital gains and losses and the cost incurred in maintaining and safeguarding the capital will be credited/charged against the endowment fund.

1.3 Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and receipt is probable. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that receipt is probable, the amount involved can be quantified and the charity is entitled to the income.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost. All items of a capital nature over £500 are included at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	- 2% straight line
Freehold land	- not depreciated
Fixtures, fittings and equipment	- 25% straight line

1.6 Investments
Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

1.7 Grants
Grants payable are accounted for on an accruals basis and in accordance with FRS 102 to the extent that, where a constructive obligation to continue payments to existing recipients is considered to exist, as a result of a past event, full provision is made for the total expected future payments to be made, discounted to reflect inflation. Grants are paid in line with the objects of the Trust which are to benefit the children of police officers (serving and retired) whose parent is either dead or incapacitated from earning a living.

1.8 Recognition of liabilities
Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past events.

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

1.10 Current asset investments
Funds held on deposit and classified as current asset investments are stated at market value at the balance sheet date. Any difference between cost and market value is adjusted for through the Statement of Financial Activities.

1.11 Taxation
The Charity is exempt from tax on income and gains falling within sections 472-489 of the Corporation Tax Act 2011 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Key sources of estimation uncertainty
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Provisions for future grant obligations
The charity makes a provision in respect of its obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. Inflation is considered to be 2%. The key assumptions used in calculating the required provision are reviewed annually and adjusted where necessary to reflect changes in economic conditions and the circumstances of the grant recipients. The carrying value of the provision for future grant payments is detailed in note 14 to the financial statements.

Income recognition
The financial statements include accrued income of £42,555 (2019: £52,246) in respect of management's estimate of officers donations pledged but not yet remitted to the organisation as at the reporting date. The amount of income due is calculated based on management's estimate of the number of officers donating. The differences between expected income and amounts remitted in the period are recognised as accrued income.

2. Income from donations and legacies

	Unrestricted funds £	Endowment funds £	2020 Total £	2019 Total £
Donations	11,126	-	11,126	5,767
Officers donations	546,102	-	546,102	522,038
	557,228	-	557,228	527,805

All income from donations and legacies was attributable to unrestricted funds in both reporting periods.

3. Investment income

	Unrestricted funds £	Endowment funds £	2020 Total £	2019 Total £
Income from UK listed investments	663,028	-	663,028	635,455
Bank interest receivable	1,835	-	1,835	5,931
	664,863	-	664,863	641,386

All income from investments was attributable to unrestricted funds in both reporting periods.

4. Expenditure on raising funds

	Unrestricted funds £	Endowment funds £	2020 Total £	2019 Total £
Investment management fees	37,780	30,665	68,445	78,477
	37,780	30,665	68,445	78,477

Expenditure on raising funds was £68,445 (2019: £78,477) of which £30,665 (2019: £36,880) was attributable to endowment and £37,780 (2019: £41,597) was attributable to unrestricted funds.

5. Expenditure on charitable activities

	Activities undertaken directly £	Support costs £	2020 Total £	2019 Total £
Grant making – unrestricted	1,099,752	147,318	1,247,070	1,091,685
Governance costs (note 6)	-	4,212	4,212	6,257
	1,099,752	151,530	1,251.282	1,097,942

All expenditure on charitable activities was attributable to unrestricted funds in both reporting periods.

Grants are paid to benefit the children of police officers (serving or retired) whose parent is either dead or incapacitated from earning a living.

Support costs include the management charge of £130,000 (2019: £130,000) from The Police Treatment Centres (see note 18) which covers personnel and establishment costs.

The cost of charitable activities above reflects the movement in the assessment of the provision for future liabilities (see note 14) which is itself dependent on the grants made and financial circumstances of the grant beneficiary.

6. Analysis of governance and support costs

	General support costs £	Governance costs £	2020 Total £	2019 Total £
Management charge – Police Treatment Centres	130,000	-	130,000	130,000
Communication and Information Technology	1,237	-	1,237	2,089
Other office expenses	7,176	-	7,176	8,854
Depreciation – owned assets	8,905	-	8,905	8,906
Legal and other professional fees	-	312	312	857
Auditor's remuneration	-	3,900	3,900	5,400
	147,318	4,212	151,530	156,106

7. Net Income/(expenditure) for the year

	2020 £	2019 £
Net income/(expenditure) is stated after charging:		
Depreciation – owned assets	8,905	8,906
Auditor's remuneration	3,900	5,400

8. Employees

	2020 £	2019 £
Management charge	130,000	130,000

No employee received emoluments of more than £60,000 in the year (2019: None).

All personnel costs are borne by The Police Treatment Centres and are included in the management charge of £130,000 (2019: £130,000) for the year. The management charge covers establishment costs, legal and professional fees, the costs of St George's Trust Benefits Review as well as personnel costs.

9. Trustees' emoluments

No Trustees received remuneration from the charity during the year (2019 – None). In addition, no Trustees received expenses from the charity during the year (2019 – None).

10. Tangible fixed assets

	Fixtures, fittings and equipment £	Freehold land and buildings £	Total £
Cost			
At 1 January and 31 December 2020	5,093	445,273	450,366
Depreciation			
At 1 January 2020	5,093	53,431	58,524
Charge for the year	-	8,905	8,905
At 31 December 2020	5,093	62,336	67,429
Net book values			
At 31 December 2020	-	382,937	382,937
At 31 December 2019	-	391,842	391,842

11. Fixed asset investments

	Endowed listed investments £	Unrestricted listed investments £	Endowment cash held as part of investment portfolio £	Unrestricted cash held as part of investment portfolio £	Total £
Valuation					
As at 1 January 2020	7,206,712	8,878,646	(76,446)	712,825	16,721,737
Management fees	-	-	(30,665)	(37,780)	(68,445)
Distributions received	297,056	365,972	-	-	663,028
Interest	-	-	-	316	316
Transfers	(297,056)	(365,972)	-	663,028	-
Withdrawals	-	-	-	(250,000)	(250,000)
Equalisation	-	-	1,603	1,976	3,579
Revaluation	203,397	250,584	-	-	453,981
As at 31 December 2020	7,410,109	9,129,230	(105,508)	1,090,365	17,524,196
Historic cost at 31 December 2020	5,773,951	7,114,332	(105,508)	1,090,365	13,873,140

All investments are held in the UK.

If a decision were taken to dispose of unrestricted investments at a future date to fund charitable expenditure, legal advice and regulatory consultation would be sought to ensure no liens are held over the assets.

Under the terms of the Endowment fund there is no restriction upon the transfer of income generated. As such, the Trustees have made a transfer of £297,056 in the year from the Endowed investments to the Unrestricted investments.

12. Debtors

	2020 £	2019 £
Prepayments and accrued income	157,154	128,170
	157,154	128,170

13. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade Creditors	500	368
The Police Treatment Centres current account	44,710	45,884
Accruals and deferred Income	22,760	28,013
	67,970	74,264

14. Provisions for liabilities

	2020 £	2019 £
At 1 January 2020	3,733,802	3,474,638
Utilised in the year	(774,963)	(682,672)
Charge for the year	1,099,752	941,836
At 31 December 2020	4,058,591	3,733,802

The provision relates to the obligation to pay existing grant recipients in future periods. The provision is calculated assuming all children will continue into further education up to the age of 25 and payments will continue at current rates. Inflation is considered to be 2%. The amount of the provision estimated to be payable in one year is £774,963 (2019: £682,672).

15. Analysis of net assets between funds

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Fund balances at 31 December 2020 as represented by:				
Tangible assets	-	-	382,937	382,937
Investment assets	7,304,601	-	10,219,595	17,524,196
Current assets	-	-	553,953	553,953
Current liabilities	-	-	(67,970)	(67,970)
Long-term liabilities	-	-	(4,058,591)	(4,058,591)
	7,304,601	-	7,029,924	14,334,525

16. Unrestricted funds

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2020 £
General fund	6,844,335	1,222,091	(1,289,062)	252,560	7,029,924

Purposes of unrestricted funds

The general fund is for the payment of grants to orphaned children of police officers and children of officers that have been incapacitated to help with their maintenance whilst in full time education.

17. Permanent Endowment funds

	At 1 January 2020 £	Incoming resources £	Outgoing resources £	Gains and losses £	31 December 2020 £
Investments	7,130,266	-	(30,665)	205,000	7,304,601

Purpose of endowment funds

The endowment fund was donated to ensure the charity had sufficient assets to achieve its charitable objectives.

18. Related party transactions

The Trust operates from the premises of The Police Treatment Centres. All personnel costs are paid by this charity. A management charge of £130,000 (2019: £130,000) has been charged by The Police Treatment Centres to the Trust.

At 31 December 2020, £44,710 (2019: £45,884) was owed to The Police Treatment Centres in respect of its current account with the Trust.

19. Indemnity Insurance

The charity paid for the insurance premiums to indemnify Trustees and senior staff from any loss arising from neglect or defaults of Trustees or staff and any consequent loss.

20. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income / (expenditure) for year	359,924	1,185,667
Depreciation and impairment of tangible fixed assets	8,905	8,906
(Gains) / losses on investments	(457,560)	(1,192,895)
Interest and dividends received	(664,863)	(641,386)
Increase in provisions (net of payments)	324,789	259,164
Decrease / (increase) in debtors	(28,984)	58,797
Increase in creditors	(2,716)	5,092
Net cash outflow from operating activities	(460,505)	(316,655)

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	396,799	540,919
Cash held in investment portfolio	984,857	636,379
Net cash	1,381,656	1,177,298

22. Financial Instruments

The carrying amounts of the Charity's financial instruments are as follows:

	2020 £	2019 £
Financial assets		
Measured at fair value through net income / expenditure:		
- Fixed asset listed investments (note 11)	17,524,196	16,721,737
Equity instruments measured at cost less impairment:		
- Current asset investments	-	-
Measured at amortised cost:		
- Accrued income	42,555	52,246

22. Financial Instruments (continued)

Financial liabilities

Measured at amortised cost		
- Trade creditors (note 13)	500	368
- The Police Treatment Centres current account (note 13)	44,710	45,884
- Accruals (note 13)	22,760	28,013
	67,970	74,265

The income, expenses, net gains and net losses attributable the charity's financial Instruments are summarised as follows:

	2020 £	2019 £
Income and expense		
Financial assets measured at fair value through net income / expenditure	663,028	635,455
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income / expenditure	457,560	1,192,895