

Charity Registration number: 1151322 (England and Wales), SC0047767 (Scotland)

Company Registration number: 08426630 (England and Wales)

POLICE CARE UK

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

POLICE CARE UK

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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POLICE CARE UK

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

Trustees	J Apter P Griffiths D Hamilton M Lindsay (Chair) K Lowes S Mertes S Ockham A Orchard D Pond D Ray-Hill G Stephens J Tolfrey
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The list of Trustees above are those serving at the time these accounts were signed. See page 17 for details of movements on the Board of Trustees during the year.

Charity number (England and	1151322
Charity number (Scotland)	SC0047767
Company number	08426630
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Royal Bank of Scotland plc London Drummonds Branch 49 Charing Cross London SW1A 2DX
Solicitors	BDB Pitmans LLP 50 Broadway Westminster London SW1H 0BL
Investment advisors	Independent Investment Reviews 88 Kingsway London WC2B 6AA

The Trustees present their report and financial statements for the year ended 31 March 2021.

POLICE CARE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objects of the Charity

The objects of the Charity are to promote the efficiency of the UK police service and support the needs of serving and former police officers, including staff employed in policing roles, and their dependants arising through injury, death as a result of duty, illness, hardship and old age.

Police Care UK is the Charity for the entirety of policing. We are there for serving veteran police officers, staff and their families and police forces throughout the UK from local to national. Providing a comprehensive programme of counselling, emotional support & advice, grant funding, training and research, we improve awareness and understanding of the harms of policing, enable police forces to better look after their people and most importantly help those who are harmed to rebuild their lives and recover from the physical and psychological scars of service.

2020/21 Key Facts Summary

- We continued to operate throughout the Covid19 pandemic through a combination of remote working and where possible, adapting activities to be delivered online
- Total income for the year was £1,662,848
- £4,376,690 was spent on charitable activities, representing 90.2% of total expenditure
- The total funds of the Charity currently stand at £31.41m. Of this, £26.34m are under investment management to provide a sustainable source of income and ensure the longevity of the Charity
- Following our decision last year to award a grant of £2.5m to the Police Treatment Centre to establish a Psychological Wellbeing Centre of Excellence and expand physical capacity at their site in Harrogate building work progressed well despite the challenges of Covid19 with building works completed in May 2020
- We assisted over 1,500 families, an increase of 36% compared to 2019/20
- Our beneficiaries accessed more than 5,300 counselling sessions via our psychotherapy service
- We provided grants to 105 families
- We published the full findings of our survey "The Job and the Life", working with the University of Cambridge, which identified that more than 90% of police officers will be exposed to multiple traumatic events during their career, that 1 in 5 serving police officers and staff are living with a form of Post-Traumatic Stress Disorder with Complex PTSD being most prevalent

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How the Charity Operates

Every day the police find themselves in harm's way whilst protecting the public. We work independently of the police and government to help ensure that serving and former police who suffer harm, and their families, have someone to turn to when things get tough.

Individuals who need our help complete a simple referral form via our website. Our welfare team then assess eligibility against published criteria. If accepted, registration automatically provides access to the Charity's confidential advice and counselling service. If financial help is needed, an application form will be provided following discussion with our welfare team with guidance on funding available on our website. Our network of volunteers can help beneficiaries apply for assistance and may visit applicants as part of the grant assessment process where necessary.

We also do our utmost to improve the mental health and wellbeing of serving and former police personnel through a combination of targeted research and grant funding and training to support those in need both now and in the future.

Further information on the specific grants' programmes and other services for both individuals and organisations are discussed in this report and our Impact Report and are also available on the Charity's website www.policecare.org.uk

ACHIEVEMENTS AND PERFORMANCE

This year saw challenges that none of us could ever have imagined and different to the one we all hoped for. We are incredibly proud of all that we achieved as we continued to operate throughout the year, quickly adapting to remote home working and helping more people than ever.

Financial review

The results of the Charity are set out in the financial statements on pages 23 to 46.

The Charity's net deficit (before other recognised gains and losses) was £3,190,698 compared to a deficit of £2,195,388 in 2019/20. This reflects the Charity's agreed strategy, as stated in previous annual reports, to expand activities and assist more beneficiaries and to grow our staff team to help meet this objective. Accordingly, our headcount grew from 16 to 20.

Expenditure on charitable activities totalled £4,376,690 (2019/20 £3,177,553), an increase of £1,199,137

Our expenditure on grants to individuals totalled £191,062 to help those in need, a decrease of £438,243. We believe this is due to Covid19 and lockdown, in particular affecting applications for home adaptation works.

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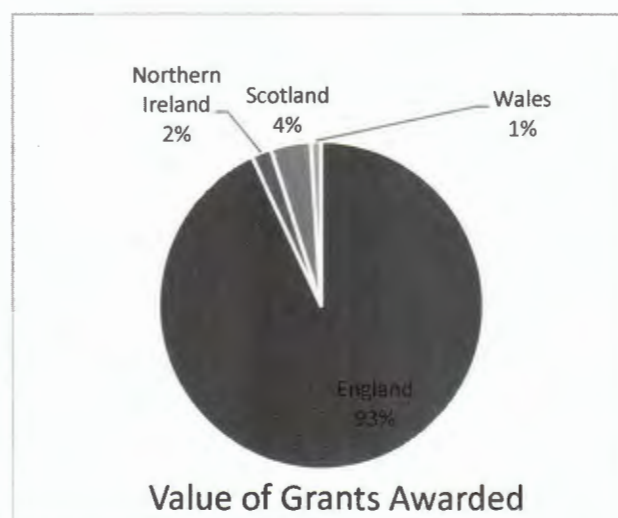
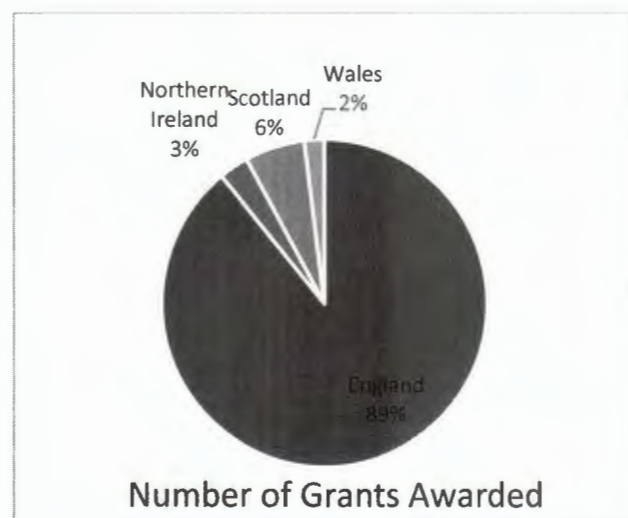
FOR THE YEAR ENDED 31 MARCH 2021

Our institutional grants saw an overall uplift of £1,388,773 which reflects the completion of the grant awarded last year to the Police Treatment Centres. Several of our 1in4 Programme grants were paused as police forces placed activity on hold due to Covid, as were our Wellbeing Grants and Recovery Days. All of these are expected to re-start as Covid restrictions ease and police forces are able to continue these projects.

We continued to invest in project activity as part of our strategy where feasible during Covid by moving activities online - for example our Veteran Peer Support Service and training in our Trauma Impact Prevention Techniques. Whilst we consider that face to face will always be the gold standard for these initiatives, we are pleased that these could still continue during this challenging time. However much of our volunteer activity was curtailed meaning that expenditure across these activities totalled £103,822, a fall of £95,709 against the previous year.

As predicted last year, our counselling service, now in its second year of operation, continued to see significant increases in activity and again, the delivery of counselling sessions was achieved online. Expenditure totalled £787,767, an increase of £567,783. Feedback from users continues to be positive and we anticipate that the demand for this much needed service will continue to grow.

By region, grants awarded across all of our grant making programmes and funding for counselling are summarised as:



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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Investment performance is always of particular focus given the Charity's reliance on this key source of income. During the year we continued to work with our investment advisors, Independent Investment Reviews (IIR) to closely monitor performance. Trustees have adopted a portfolio approach to managing investments to help spread the risk and reduce any potential impact of any single fund underperforming.

During the year our investment markets continued to be affected by the Covid-19 pandemic with many companies either limiting or pausing dividend payments. Against this backdrop we are pleased that our investments performed well, recovering the fall experienced in March 2020 as the pandemic hit. Overall, the combined value of our investments as at 31st March 2021 was £26.340m after having released £2.5m to fund the grant to the Police Treatment Centre, compared to £24.347m in March 2020, an increase of 8.19%.

Our investments still include a small balance from our holding in Woodford Equity Income Fund, which was suspended from trading on 6th June 2019 awaiting final disposal by Link Fund Solutions, appointed to administer the wind up of the fund. On 15th October 2019 it was announced that the fund would be liquidated with proceeds of sale being returned to investors. Trustees had been paying close attention to the performance of this fund with the assistance of our professional advisors which, whilst delivering reasonable income returns, was underperforming on capital growth. As at 31st March £3,112,408 had been returned to the Charity from the proceeds of sales with £343,892 received during the year. The investment holding based on the latest available information stands at £161,290.

The decision to appoint our three investment managers, including Woodford, was taken in 2016 following a detailed and rigorous selection process. We followed relevant Charity Commission guidance and were assisted by our professional investment advisors through a process which saw our investments moved from a single investment manager to three managers, CCLA, Newtons and Woodford.

Trustees are pleased to report that CCLA and Newtons performance has continued to rank very highly against their peers and that our overall portfolio has performed well.

In advance of Brexit and against the background of wider global economic challenges in the US and China Trustees had concluded it prudent to hold in the region of £3m of readily available assets to protect our ability to support our beneficiaries in the event of a major economic downturn. The current COVID-19 crisis has added to both market uncertainty and continued to create significant fundraising challenges across the charity sector as a whole. Trustees have chosen to utilise this reserve, in combination with reviewing activities, to ensure that we can continue to meet the needs of our beneficiaries.

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Trustees are aware of the challenges presented by the current COVID-19 crisis and have taken steps to manage these in accordance with the latest available information and guidance.

The Charity's income comes from four principal sources:

- Regular donations (payroll giving/Give as You Earn/individual fundraising);
- One off donations & community fundraising;
- Legacies; and
- Investment and interest income.

The Charity remains in a robust financial position and continues to be well placed to support officers who have been injured on duty and the families of those officers who have lost their lives as a result of their police work. The Charity however continues to be heavily reliant on its investments as its primary source of income with ongoing calls on reserves to fund increasing beneficiary needs. Our planned underlying deficit is in the region of £2.5m per year which needs to be addressed through generating new sources of income to place all of our activities on a sustainable footing.

Activities for Public Benefit

In setting out their objectives and planning their activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Charity provides a significant public benefit given the relatively wide section of people who have the opportunity to apply for grants and be considered as a potential beneficiary. Additionally, as a significant element of our work supports police forces, there is a wider public benefit across the whole of the UK.

Framework for Success

Trustees have agreed our Framework for Success which helps focus our activities on those areas where we consider we can have the greatest impact. The framework sets out our core aims and objectives as:

<i>Ensuring everyone is aware of the harm police experience as part of their role</i>	<i>Engaging with the police service to do all they can to reduce or prevent harm</i>	<i>Enabling people to recover and rebuild their lives</i>
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| <ul style="list-style-type: none">• Research and share learning on harm and the ways to prevent or reduce the impact of harm experienced | <ul style="list-style-type: none">• Proactively interact with policing organisations across the UK | <ul style="list-style-type: none">• Increase our reach and connect with people who have suffered harm as a result of their policing role |
| <ul style="list-style-type: none">• Advocating for the wellbeing of serving and former police colleagues | <ul style="list-style-type: none">• Fund new and innovative projects aimed at reducing or preventing harm | <ul style="list-style-type: none">• Provide mechanisms for individuals to recover and rebuild their lives |
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Police Care UK strives to be a catalyst for change and active player in improving the health and well-being of serving and former UK police and their families. To this end our Trustees participate in dialogue and share new ideas with grantee organisations, service providers, other funders and government agencies. We aim to create opportunities to engage police stakeholders in collaborative problem-solving and programme development.

From time to time we award Major Grants to provide project and capital funding to established charitable organisations with significant track records of delivery who Trustees consider will help deliver against our 3 core aims of:

- Raising awareness of the harm police can experience as part of their role
- Enabling police and their families to recover and rebuild their lives after suffering harm
- Supporting police forces and agencies to do all that they can to reduce harm

All Major Grants are by invitation-only from Police Care UK and our Trustees prefer to support projects where we are providing match-funding.

Further details of how we have delivered activities for public benefit are set out in our Impact Report which is available on our website www.policecare.org.uk/wp-content/uploads/Impact-20_21.pdf

Aim 1 - Ensuring everyone is aware of the harm police experience as part of their role

Our work with the University of Surrey and the University of Cambridge has highlighted a number of key issues faced by injured police officers and staff that had not, until that point, been openly discussed by either UK police forces or government. In particular:

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|--|---|
| • High levels of physical & psychological injury experienced by police & staff with 1 in 5 living with PTSD | • 86% of serving personnel want to see improved support for mental health, particularly following traumatic incidents |
| • Psychological harm is the biggest single cause of officers leaving the service prematurely (47%) | • 80% of former officers would like to have support available from a local peer network |
| • 15% of those who leave prematurely struggle to cope financially day to day | • 80% of former officers would like more support to help access work post their police career |
| • Those who leave the service due to an injury have significantly lower levels of health with the lowest being experienced by those who experienced psychological injury | • 70% of former officers would like access to formal emotional support and health advice |
| | • 62% of former officers would like better access to mental health services |
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During the year we published the full findings of our work with the University of Cambridge, The Job and the Life - the UK's first survey to assess trauma management and working conditions in UK policing. This report highlighted that 12 % of serving personnel are living with symptoms consistent with Complex PTSD.

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Building on this research we have also collaborated with the Police Federation of England & Wales research team to develop a Police Trauma Exposure Checklist (PTEC), a new tool to be trialled in 21/22 which can be used to assess exposure to potentially traumatic events to help facilitate self-assessment, peer support and attempts by Occupational Health and police management to improve monitoring and treatment access.

We continued to engage with government officials and key stakeholder both in policing and across the emergency services community, sharing our insights particularly in relation to the development of the proposed Policing Covenant.

Aim 2 - Engaging with the police service to do all they can to reduce or prevent harm

We believe duty of care rests with individual police forces. Our role is to complement this and to assist in addressing identified gaps through the provision of targeted services, projects and grants.

The Charity offers grants to police forces, sports associations and charities who specifically support our beneficiary base to support innovations and improvements in mental health and wellbeing under 3 core funding streams; Wellbeing Grants, 1 in 4 Grants and our Recovery Day Programme. The impact of Covid meant that police forces did not have the capacity to deliver these projects and the majority were either placed on hold or delayed.

We did however adapt our Trauma Impact Prevention Training (TIPT) to enable online delivery meaning that by the end of this financial year this training has now been delivered to circa 1,200 people in forces across the UK.

Aim 3 - Enabling people to recover and rebuild their lives

During the year we saw a significant increase in the number of people we helped. We assisted approximately 1,500 families, a rise of 36% on the previous year, with mental health needs representing 57% of cases. Whilst the number and value of grants awarded to individuals was significantly less than last year - which we attribute to the impact of lockdowns – our specialist counselling service, which was adapted to be delivered online, saw a massive increase in activity, delivering over 5,300 sessions of therapy, up from circa 600 sessions last year. In total 568 people were matched with a therapist and 91% reported an increase in their mental health & wellbeing following completion of therapy.

Our Peer Support service for officers retired through ill-health, which was also adapted to online delivery, supported 48 people during the year and is an initiative we will continue to grow in future years. This group of beneficiaries, who's career is cut short through no fault of their own, are often in need of significant support as they transition to life beyond policing.

During the year we awarded 112 targeted grants to individual beneficiaries totalling £191,062. We helped those in financial hardship and enabled injured police officers to adapt their homes, get the specialist equipment they need and access training. Grants are awarded after taking into account the financial status of applicants and many of our applicants come to us many years after their original injury as the impact takes an increasing toll on their quality of life. These grants are means tested and the Charity has adopted the independent Joseph Rowntree Foundations Minimum Income Standard as a guide against which to assess need, taking into account the additional costs incurred of living with a disability where appropriate. This allows the Charity to focus financial assistance on those in

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most need. Our research with the University of Surrey those officers who had left the service following either a physical or psychological injury were worried about paying for unexpected expenses with only 6% living comfortably. Our evidence is that help might have been sought sooner if only there was a greater knowledge of the assistance available from the Charity and we are continuing to try to raise awareness via a range of stakeholder engagement including attending and speaking at events, liaising with retired police officer associations and police staff associations and police force welfare leads.

Awareness and Fundraising Activities

Supporting those who are injured as a result of their policing role, including the families of those who are sadly killed, means Police Care UK has a duty to raise awareness of the Charity's existence, the support available, and how to access it. Whilst much of our traditional activities such as attending face to face events and conferences were curtailed due to lockdown, we provided input to online events and meetings where possible. This included:

- Taking part in major police conferences across the country, e.g. The Police Foundation
- Delivering input into meetings of the National Association of Retired Police Officers
- Engaging and working with colleagues from other charities supporting and benefiting the UK police service
- Engaging directly with and informing Chief officers and specialist staff at all 48 police forces in England, Wales, Scotland, and Northern Ireland
- Working and engaging with, and informing, the wider police family on issues directly related to our charitable activities
- Producing regular newsletters and content for 3rd party publications e.g. London Police Pensioner

Fundraising

At Police Care UK, our supporters are at the heart of everything we achieve, and this year our fundraised income represents 59%. This represents an increase of 14% compared to last year due to the impact of one significant legacy. We are investing in our fundraising capacity in order to diversify and grow our fundraising activities to reduce our dependency on investment income and support more beneficiaries, recognising that there is support from people wanting to get involved in helping Police Care UK.

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We uphold the highest fundraising standards and have published our fundraising promise on our website. We have maintained our voluntary registered status with the Fundraising Regulator and adhere to the Code of Fundraising Practice. We are also working towards meeting our commitment to implement the recommendations from the Commission on the Donor Experience and have reviewed our GDPR and Privacy policies.

In most instances, we rely on obtaining consent to contact supporters about future fundraising, and we have achieved this compliance by adopting a full opt-in model across our marketing and fundraising activities. If supporters choose not to opt-in, then they won't receive marketing or fundraising requests from us. This has put us in a strong place to ensure we are fundraising in a compliant manner with both the letter and spirit of the regulations in place.

In certain circumstances, we will rely on 'legitimate interest' as a legal basis for contacting our supporters. We will only do this where we have considered and balanced any potential impact on the support and their rights under data protection laws. Fundraising activity in support of our overall strategy is monitored by the Board of Trustees in exercise of their duties under CC20 Charity Commission guidance. They, together with the Audit and Investment Committee, monitor significant risks and ensure they are being properly addressed.

We do not undertake any door-to-door or street fundraising, and do not use any 3rd party companies to fundraise on our behalf. We have robust data protection and privacy policies in place and we do not share personal data outside these arrangements, and we do not sell any personal data for use by any external organisation.

The Management Team has oversight of all fundraising activities and monitors performance against key indicators to identify any significant challenges or changes that are required.

Vulnerable supporters

Police Care UK is committed to fundraising appropriately from all of our supporters and we are particularly conscious of our responsibilities to vulnerable people. Our Vulnerable Supporters policy applies to all our fundraising activities and ensures that we are protecting the public from undue pressure and persuasion, as well as identifying and responding to potential vulnerabilities. Our Supporter Promise remains at the heart of all fundraising efforts.

We report and monitor on a regular basis through our Management Team and the Board of Trustees all instances of potentially vulnerable supporters and ensure that we act and respond appropriately by reviewing each instance and how we handled it. This allows the Charity to ensure we continuously improving the overall experience provided to vulnerable supporters.

Complaints

We take all complaints very seriously and respond according to our complaints policy. This year saw no fundraising complaints.

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Our fundraising activities

Gifts in wills

Many people choose to remember Police Care UK in their will. This year £653,807 (2019-20 £262,231) was left to Police Care UK as gifts in wills. Sometimes it is because they or a close family member served in policing, and sometimes it is because they value the role that Police Care UK plays in caring for police and families in need.

Fundraising from within our communities

Whilst our planned activities were cancelled, the organisation adapted and developed a virtual challenge to harness the support still being offered by the generous fundraising community. During the 2020-21 financial year we held three Get Active Challenges, with our first Police Get Active Challenge in September attracting 781 participants and our 12 Days of Christmas giving everyone a festive boost in the lead up to Christmas in lockdown. The three challenges combined raised £16,065 in total, to help us continue supporting the increase in beneficiaries we've seen over the past 12 months.

Unfortunately, Covid meant that planned events such as our annual reception at New Scotland Yard for major donors could not go ahead and sadly a number of our supporters lost their lives due to the pandemic. Our thoughts and condolences are with their families and loved ones.

Donations

During 2020-21 we soft launched our Friends of Police Care UK regular giving scheme, to enable donors to donate £5 or more monthly. The scheme will be fully launched in 2022 in line with the delivery of the new CRM so that administration and communication can be automated. In the meantime, and with very little promotion, the scheme has over 50 members and this year raised over £2,600 and we are seeing new members joining it every month.

Donations from our individual supporters via police forces and associated benevolent organisations also help us continue caring for police and families in need. This year £242,074 (2019-20 £274,437) has been raised this way thanks to the dedication of our fabulous payroll givers.

Our Fundraising Promise

Police Care UK will be:

- **Honest.** We will tell the truth and we will not exaggerate. We will be clear about who we are, what we do, and do what we say we are going to do with the donations we receive.
- **Clear.** We will be able to explain our fundraising costs and show how they are in the best interests of our cause if challenged. Where we ask a third party to fundraise on our behalf, we will make this clear and any financial arrangement transparent.
- **Accountable.** We will ensure our complaints process is clear and easily accessible.

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- **Respectful.** We will respect your rights and privacy. We will not put undue pressure on you to make a gift and we will always respect your decision. We have a procedure for dealing with vulnerable circumstances which is available to read.
- **Responsible.** We will comply with the law as it applies to charities and fundraising. We will adhere to the Code of Fundraising Practice, and will monitor fundraisers, volunteers, and third parties working with us to raise funds to ensure that they comply with the Code.

Reserves policy

Our reserves policy aims to ensure that the Charity continues to set aside funds that enable it to achieve its objectives whilst, at the same time, ensuring there are adequate reserves held to ensure continuity of service and support to beneficiaries if setbacks occur. The Charity undertook an exercise in September 2017 with the support of our investment advisors and managers to model the potential impact of a significant market fall on investments. This was based on the experience of global investment markets over the previous 10 years. As a result, the Trustees concluded that it is prudent to aim to hold in the region of £3m in readily available assets to protect against market volatility.

The Board approved policy is based upon three principle statements of intent:

- Reserves will be designated to reflect the Board's requirement to hold in reserve the value of investments held to support the income target for the years ahead (£21,682,094)
- Reserves are designated where appropriate to fund future plans where income from those future years is not expected to be sufficient to meet the expenditure requirements. These funds may be held in a combination of fixed and current assets as appropriate (£6,665,837)
- An appropriate level of general free reserves between 6-12 months expenditure will be held in readily available current assets.

Trustees review levels of reserves annually as part of the annual budget process taking into account projections of:

- Alternative sources of voluntary income
- Anticipated income and capital growth of the investment portfolio
- Existing grant programme commitments and anticipated applications from registered beneficiaries
- Agreed commitments to new initiatives, projects and services designed to better support beneficiaries

Trustees will continue to review the reserves policy in the context of developing a wider fundraising strategy and developing new activities in response to the needs of beneficiaries and the impact of Covid-19. The reliance on investment income is however a concern particularly in the current uncertain economic climate. There is a need for the Charity to diversify its income sources both as a response to this risk and also in response to the growing demand for our services particularly in relation to mental health to address an underlying funding gap of approximately £2.5m per annum.

Trustees are satisfied that the current level of free reserves are in line with the agreed policy.

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Investment policy and performance

The Charity holds its investment portfolio in order to generate a return to fund its day-to-day running and grant making programme.

The Charity's assets were invested in accordance with the Trustee Act 2000. Other than that, there were no restrictions on the Charity's powers to invest. The investment objective was to provide a reasonable level of income whilst maintaining and growing the value of the capital in real terms.

As at 31 March 2021 the combined portfolio had an income yield of approximately 2.6%, a fall of 1% compared to the previous year reflecting the suspension and/or reduced dividends across companies globally. The value of the Charity's investments however increased from £24.35m to £26.34m, a gain of £1.99m after having released £2.5m to fund the grant awarded to the Police Treatment Centre. We continue to hold a small balance of £161,290 in the Woodford Equity Income Fund awaiting disposal by Link Fund Solutions. Against the backdrop of market volatility following the outbreak of the Covid-19 pandemic, our overall portfolio proved reasonably resilient, benefitted from continued outperformance by CCLA and Newtons, our two Fund Managers.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and COVID-19 and are satisfied that systems are in place to mitigate their exposure to major risks.

In response to the COVID-19 pandemic the Charity adopted remote working practices with staff working from home. We have utilised government support schemes such as furlough where appropriate and reviewed activities, including adopting digital delivery where possible to ensure safe working whilst continuing to deliver support to our beneficiaries.

<i>Key Risk</i>	<i>How we Manage it</i>
We are over-dependent on investment returns and unable to develop new sources of income	<ul style="list-style-type: none">• We have a diverse portfolio of investments managed by two different external Investment Managers to minimise any impact of economic uncertainty• We use external, independent, professional advisors to manage our investments• Our investment portfolio performance is reported and reviewed on a regular basis by the Audit and Investment Committee• We continue to invest in our ability to grow fundraising income and employ experienced fundraisers• We have a detailed fundraising plan against which performance is reviewed regularly by the Board

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We do not meet the expectations of our beneficiaries and stakeholders following our research activity, our rebrand and introduction of our counselling service and the subsequent increase in demand	<ul style="list-style-type: none">• We consider and update our plans annually at a board away day• Where necessary, we invest in greater team resources to provide capacity with options presented to Trustees for decisions• Progress is regularly reviewed by the Board. During the year as part of the strategic review the Board have agreed a framework for success with three core aims• The Chief Executive has some flexibility to respond to immediate additional resource demands within designated authority and where necessary, we invest in greater team resources to provide capacity with options presented to Trustees for decisions
Trustees may lack relevant skills as the Charity develops	<ul style="list-style-type: none">• We have updated our governing document to allow greater flexibility to recruit trustees with specialist skills and experience• We have a Nominations Committee who oversee matters relating to trustee appointments and tenure• We review board performance and consider skills gaps at our annual board away day
Increasing levels of regulation and a broad regulatory landscape may result in a compliance failure	<ul style="list-style-type: none">• Responsibilities are included in staff role descriptions• Trustees receive updates at each board meeting on regulatory changes• Compliance activity is included in our annual work plans and we will be investing more resources in this area

Origins

The Police Dependants' Trust was founded in 1966 as a response to the deaths of three police officers who, on the 12th August were shot while on duty in Shepherds Bush, London; Sergeant Christopher Head and Constables David Wombwell and Geoffrey Fox.

Such was the public response to this terrible tragedy which demonstrated the dangers police officers face in the line of duty, that an anonymous donation of £100,000 was offered to a Home Office Minister to establish a permanent trust to assist in cases where police officers were killed or injured on duty. Later it was made public that the anonymous donor was Sir Billy Butlin of Butlin's holiday camps. A public appeal was launched and more than £1 million was raised. The Police Dependants' Trust was founded and continues its vital work today under the new name of Police Care UK – supporting officers injured on duty and the families of those who have lost their lives in the line of their police work.

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PLANS FOR THE FUTURE

The Trustees have agreed a strategy to 2025 with many of the priorities discussed in the previous section "Activities for Public Benefit". During 2021/22 areas of specific focus are as follows:

Priority for 2021/22	Key Activities
Beneficiaries	<p>We will roll out TIPT training to support officers and staff exposed to trauma</p> <p>Following the award of a grant of £2.5m to the Police Treatment Centre we will work with the PTC to oversee the completion of capital build and;</p> <p>Agree a model of care to enhance support for those with PTSD & CPTSD</p> <p>Building on the learning and success of our North West Peer Support pilot and the introduction of online provision during Covid19 we will extend this to Hampshire and Thames Valley</p> <p>We will review our access criteria and redesign our counselling provision in response to rising demand to streamline the process, introduce clinical triage and, place the service on a more sustainable footing</p> <p>We will provide targeted resources to enable self-help and self-care and support resilience</p> <p>We will increase our engagement with families and better understand their needs</p>
Internal Processes	<p>We will implement a replacement CRM database to optimise our engagement with supporters and donors in support of our fundraising activities and GDPR compliance</p> <p>We will implement a case management system CMS to improve beneficiary experience, support better feedback and case studies and, impact reporting</p>
Financial	<p>We will shift from reactive to proactive fundraising to diversify and grow our fundraised income; retain & uplift existing donors; grow supporter and potential donor base; improve donor experience</p>
Strategic Enablers	<p>We will review our volunteer programme to ensure it remains fit for purpose and reflects the needs of the charity and our beneficiaries</p> <p>We will implement an online shop facility to enable charging for some materials and activities</p> <p>We will keep our IT systems & infra-structure under review to ensure that they continue to meet our needs</p> <p>We will recruit new trustees to address skills gaps and succession planning needs</p>

Additionally, we will:

- Aim to engage more broadly across policing including with PCC's and HMICFRS to highlight the needs of our beneficiaries and gaps in provision
- Continue to support staff during Covid19 by providing homeworking equipment, regular communication and wellbeing initiatives
- Consider opportunities to extend our TIPT offer to other sectors as an income source
- Work with forces to test the Police Trauma Exposure Checklist (PTEC)
- Continue to work both formally and informally with other charities to meet the needs of our beneficiaries

POLICE CARE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee without share capital. The Trustees, who are also the directors for the purpose of company law, and who served during the year and to the date the accounts were signed were:

J Apter	(Appointed 21 st May 2020)
C Greany	(Retired 12 th August 2021)
P Griffiths	
D Hamilton	(Appointed 21 st May 2020)
M Lindsay	
K Lowes	(Appointed 13 th May 2021)
A Macdonald	(Retired 4 th April 2020)
N Massey	(Retired 31 st March 2021)
S Mertes	(Appointed 21 st May 2020)
S Ockham	(Appointed 13 th May 2021)
A Orchard	(Appointed 18 th February 2021)
D Pond	(Appointed 13 th May 2021)
S Purdy	(Retired 12 th August 2021)
D Ray-Hill	
G Stephens	
J Tolfrey	

Board of Trustees

The Trustees are committed to demonstrating good governance and have adopted and implemented the Charity Governance Code. The Board of Trustees meet four times during the year to consider the Charity's investment matters, receive regular updates from committees, and to plan for its short, medium and long term future. Additionally, they meet annually to consider strategy and to plan for the future and to assess board performance, including whether the Board has the right mix of skills to deliver on its plans.

POLICE CARE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

When a vacancy arises, the Trustees shall have regard to the desirability of seeking one or more recommendations to fill the vacancy from any or all of the following bodies (or to such other body or bodies as may succeed to their operations):

- (a) The National Police Chiefs Council;
- (b) The Chief Police Officers' Staff Association;
- (c) The Police Superintendents' Association of England and Wales;
- (d) The Association of Scottish Police Superintendents;
- (e) The Superintendents' Association of Northern Ireland;
- (f) The Police Federation of England and Wales;
- (g) The Scottish Police Federation;
- (h) The Police Federation of Northern Ireland;
- (i) The National Association of Retired Police Officers;
- (j) The Retired Police Officers' Association Scotland; and
- (k) The Northern Ireland Retired Police Officers' Association

In order to strengthen the skills and diversity of the Board the Charity may also appoint co-opted trustees.

New trustees are encouraged to spend time on induction and meeting employees and attend training to support their role. Trustees are routinely updated to keep the up to date with recent law governing trustee's responsibilities and are provided with copies of Charity Commission Guidance relevant to their role.

Organisation

The Trustees have appointed 3 sub-committees to help with the execution of the Board's responsibilities, the members of which are appointed by the Trustees

Audit & Investment

- Exercises general oversight concerning matters pertaining to the Charity's investment portfolios
- Oversees the selection and agrees the appointment of investment managers on behalf of the Trustees as a delegated responsibility
- Oversees the Charity's systems of internal control, risk management and financial reporting, and monitors the quality and effectiveness of external auditors.

Remuneration & Nominations

- Exercises general oversight of matters concerning the Charity's staff and makes recommendations to the Board
- Exercises general oversight of matters concerning trustee appointments and tenure.

POLICE CARE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

1 in 4 Panel

- Considers and agrees applications for funding to the 1 in 4 Grants Programme and oversees the administration of these grants

The Audit & Investment Committee met four times in the year, the Remuneration & Nominations Committee met three times in the year and the 1 in 4 Panel met twice.

Day to day management of the Charity is delegated to the Chief Executive who has authority to approve expenditure within the framework of delegations. The Trustees regularly review the scheme of delegation.

Remuneration policy

The Trustees consider that the Chief Executive, Director of Research, Head of Operations and the Head of Finance & Resources comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 9 & 23 to the accounts.

The pay of all staff is reviewed annually and includes reference to comparisons with other charities ensuring the Police Care UK remains sensitive to broader issues of pay and employment conditions elsewhere. We aim to recruit at the lower medium point with comparable organisations, providing scope to reward excellence whilst taking into account the Charity's ability to attract and retain committed and motivated employees. We do not employ interns without pay and aim to pay the living wage for all of our staff.

POLICE CARE UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of Police Care UK for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

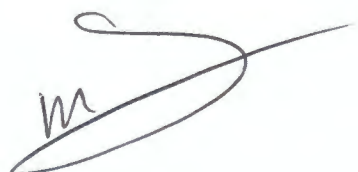
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Companies Provisions

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees on 11 November 2021



M Lindsay

Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POLICE CARE UK

FOR THE YEAR ENDED 31 MARCH 2021

Independent auditor's report to the members of Police Care UK

Opinion

We have audited the financial statements of Police Care UK for the year ended 31 March 2021 which comprise the Statement of Financial Activities, 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 March 2021 and of the charitable company's net movement in funds, including the 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 and 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 charity 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF POLICE CARE UK

FOR THE YEAR ENDED 31 MARCH 2021

Opinion 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 (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Trustees' Report (which incorporates 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 by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 19, 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

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.

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to employment law, safeguarding regulations and Charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and the Charities SORP.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF POLICE CARE UK

FOR THE YEAR ENDED 31 MARCH 2021

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the recognition of income from legacies and donations. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These relate to accrued legacies, the valuation of investment property and the Woodford Fund held in investments.

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 our 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, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 11 November 2021

POLICE CARE UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies	3	976,687	-	976,687	716,613
Other trading activities	4	2,567	-	2,567	80
Investments	5	683,594	-	683,594	876,552
Total income		<u>1,662,848</u>	<u>-</u>	<u>1,662,848</u>	<u>1,593,245</u>
Expenditure on:					
<i>Raising funds</i>					
Fundraising and publicity	6	308,325	-	308,325	425,656
Investment management	6	168,531	-	168,531	185,424
		<u>476,856</u>	<u>-</u>	<u>476,856</u>	<u>611,080</u>
Charitable activities	7	4,376,690	-	4,376,690	3,177,553
Total expenditure		<u>4,853,546</u>	<u>-</u>	<u>4,853,546</u>	<u>3,788,633</u>
Net expenditure before investment gains/(losses)		(3,190,698)	-	(3,190,698)	(2,195,388)
Revaluation of investment property	13	40,000	-	40,000	-
Loss on property held for resale	15	(12,636)	-	(12,636)	-
Net gains/(losses) on investments	14	4,960,190	-	4,960,190	(2,090,911)
Net (expenditure)/income before transfers		<u>1,796,856</u>	<u>-</u>	<u>1,796,856</u>	<u>(4,286,299)</u>
Gross transfers between funds		-	-	-	-
Net movement in funds		<u>1,796,856</u>	<u>-</u>	<u>1,796,856</u>	<u>(4,286,299)</u>
Fund balances at 1 April 2020		29,608,930	500	29,609,430	33,895,729
Fund balances at 31 March 2021		<u>31,405,786</u>	<u>500</u>	<u>31,406,286</u>	<u>29,609,430</u>

The statement of financial activities includes all gains and losses in the year.

All income and expenditure derive from continuing activities.

Details of comparative figures by fund are shown in note 25.

POLICE CARE UK**BALANCE SHEET AS AT 31 MARCH 2021**


Company Registration number 08426630 (England and Wales)

	Notes	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible assets	12			19,899			23,772
Investment property	13			265,000			225,000
Investments	14			26,340,322			24,347,460
				<u>26,625,221</u>			<u>24,596,232</u>
CURRENT ASSETS							
Property held for resale	15		-			550,000	
Debtors	16		631,373			499,509	
Cash at bank and in hand			4,731,945			4,550,994	
			<u>5,363,318</u>			<u>5,600,503</u>	
CREDITORS: amounts falling due within one year	17		(582,253)			(587,305)	
NET CURRENT ASSETS				<u>4,781,065</u>			<u>5,013,198</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>31,406,286</u>			<u>29,609,430</u>
INCOME FUNDS							
<i>Unrestricted funds</i>							
Designated funds	18		28,347,931			26,195,945	
General funds	18		3,057,855			3,412,985	
			<u>31,405,786</u>			<u>29,608,930</u>	
Restricted Funds	19			500			500
TOTAL FUNDS				<u>31,406,286</u>			<u>29,609,430</u>

The notes on pages 26 to 46 form part of these financial statements.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the Board of Trustees on 11 November 2021 and are signed on its behalf by:


M Lindsay
Chair of Trustees

POLICE CARE UK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	£	2021	£	£	2020	£
Cash flows from operating activities							
Cash generated from operations	24			(3,998,978)			(2,685,259)
Cash flows from investing activities							
Purchase of tangible fixed assets			(8,357)			(16,166)	
Purchase of investments			(10,603,929)			(5,253,394)	
Net proceeds from sale of property for resale			537,364			-	
Proceeds from sale of investments			13,571,257			8,203,453	
Dividends and interest from investments			683,594			876,552	
				4,179,929			3,810,445
Net cash provided by/(used in) investing activities							
Net increase in cash and cash equivalents							
Cash and cash equivalents at beginning of year				4,550,994			3,425,808
Cash and cash equivalents at end of year							
				4,731,945			4,550,994
Net Funds							
Cash at bank and in hand				4,731,945			4,550,994
				4,731,945			4,550,994

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

Charity information

Police Care UK is a private company limited by guarantee incorporated in England and Wales. The registered office is Nova Scotia House, 70 Goldsworth Road, Woking, Surrey, GU21 6LQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and listed investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution. Legacies are accrued when the Charity is entitled to the receipt, receipt is probable and it can be measured or estimated with sufficient reliability.

Investment income is recognised when the confirmation of the balance to be distributed is received from the investment managers.

1.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure and it can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are those costs incurred in attracting voluntary income, the costs of trading for fundraising purposes, investment management and certain legal fees.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1.4 Expenditure (continued)

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Charity. The grants are accounted for where either the trustees have agreed to pay the grant without condition or the recipient has a reasonable expectation that they will receive a grant.

In previous years support costs which include central functions have been allocated to activity cost categories on an arbitrary 30:70 basis

Cost of raising funds – 30%

Charitable activities – 70%

From 2020-21 the costs are allocated on the basis of headcount at the year-end as follows

Cost of raising funds – 22.6%

Charitable activities – 77.4%

In previous years support costs have included the total salary costs for the Charity. In 2021-20 the salary costs of fundraising staff and charitable activity staff have been separately identified and attributed directly to the activity categories. The figures for 2019-20 have been adjusted accordingly for comparison.

Irrecoverable VAT is charged against the category or expenditure or which it was incurred.

Tax recovered from donations received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Individual fixed assets costing £300 or more are capitalised at cost.

Tangible fixed assets are depreciated over their estimated useful lives as follows:

Leasehold Property	over 50 years on a straight line basis on the estimated cost of the building
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Computer Equipment	over 3 years on a straight line basis
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Furniture & Fittings	over 4 years on a straight line basis
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in statement of financial activities.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The valuation of the investments was performed by the investment managers. The market value of listed investments is publicly available

1.8 Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.10 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes of uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1. Accounting policies

1.11 Financial instruments (continued)

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease.

2. Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The estimates included in the accounts generally relate to accrued legacies, valuation of investment property and the Woodford Fund held in investments.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations and gifts	58,517	-	58,517	179,945
Legacies receivable	653,807	-	653,807	262,231
Payroll giving from Police Forces	242,074	-	242,074	274,437
Gift aid receivable	11,184	-	11,184	-
Government Grants	11,105	-	11,105	-
	<u>976,687</u>	<u>-</u>	<u>976,687</u>	<u>716,613</u>
Comparative figures:				
	Unrestricted Funds £	Restricted Funds £	Total 2020 £	
Donations and gifts	179,945	-	179,945	
Legacies receivable	261,731	500	262,231	
Payroll giving from Police Forces	274,437	-	274,437	
	<u>716,113</u>	<u>500</u>	<u>716,613</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Sale of branded merchandise	504	-	504	80
Sales of training manuals	2,063	-	2,063	-
	<u>2,567</u>	<u>-</u>	<u>2,567</u>	<u>80</u>
Comparative figures:				
	Unrestricted Funds £	Restricted Funds £	Total 2020 £	
Sale of branded merchandise	80	-	80	
	<u>80</u>	<u>-</u>	<u>80</u>	

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

5. INVESTMENT INCOME

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
Income from listed investments	681,080	866,509
Interest receivable	2,514	10,043
	<u>683,594</u>	<u>876,552</u>

6. RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Funding and publicity				
Other fundraising costs	170,877	-	170,877	216,251
Support costs (note 8)	137,448	-	137,448	209,405
	<u>308,325</u>	<u>-</u>	<u>308,325</u>	<u>425,656</u>
Fundraising and publicity	308,325	-	308,325	425,656
	<u>168,531</u>	<u>-</u>	<u>168,531</u>	<u>185,424</u>
Investment Management				
	476,856	-	476,856	611,080
	<u>476,856</u>	<u>-</u>	<u>476,856</u>	<u>611,080</u>

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

6. RAISING FUNDS (continued)

Comparative figures:

	Unrestricted	Restricted	Total
	Funds	Funds	2020
	£	£	£
Funding and publicity			
Other fundraising costs	216,251	-	216,251
Support costs	209,405	-	209,405
	<hr/>	<hr/>	<hr/>
Fundraising and publicity	425,656	-	425,656
	<hr/>	<hr/>	<hr/>
Investment Management	185,424	-	185,424
	<hr/>	<hr/>	<hr/>
	611,080	-	611,080
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

7. Charitable Activities

	Institution Grants £	Maintenance Grants £	Assistance Grants £	Educational Bursaries £	Christmas Grants £	Total 2021 £	Total 2020 £
Grants to institutions:							
Major grants	2,250,000	-	-	-	-	2,250,000	297,410
1 in 4 grants	190,079	-	-	-	-	190,079	677,753
Wellbeing grants	3,058	-	-	-	-	3,058	66,310
Recovery Days	-	-	-	-	-	-	12,891
	<u>2,443,137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,443,137</u>	<u>1,054,364</u>
Grants to individuals	<u>-</u>	<u>79,000</u>	<u>52,162</u>	<u>57,000</u>	<u>2,900</u>	<u>191,062</u>	<u>629,305</u>
	<u>2,443,137</u>	<u>79,000</u>	<u>52,162</u>	<u>57,000</u>	<u>2,900</u>	<u>2,634,199</u>	<u>1,683,669</u>

Other charitable activities	2021 £	2020 £
Resilience Project	17,291	90,254
In Patient Stays	7,829	186,157
Confidential Care Line	787,767	219,984
Clinical Support	200	-
Volunteer Program	103,822	199,531
Peer Support	10,674	12,471
Suicide Prevention Workshops	-	24,766
Return to Work	7,312	16,789
TIPT	5,814	-
Employment Costs	326,917	252,876
Other	4,137	2,445
Allocation of support and governance costs (note 8)	470,728	488,611
Total grants and charitable activities	<u>4,376,690</u>	<u>3,177,553</u>

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

7. Charitable activities (continued)
Comparative figures for 2020

	Institution Grants £	Maintenance Grants £	Assistance Grants £	Educational Bursaries £	Christmas Grants £	Total 2020 £
Grants to institutions:						
Major grants	297,410	-	-	-	-	297,410
1 in 4 grants	677,753	-	-	-	-	677,753
Wellbeing grants	66,310					66,310
Recovery Days	12,891					12,891
	<u>1,054,364</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,054,364</u>
Grants to individuals	<u>-</u>	<u>100,000</u>	<u>455,105</u>	<u>65,000</u>	<u>9,200</u>	<u>629,305</u>
	<u>1,054,364</u>	<u>100,000</u>	<u>455,105</u>	<u>65,000</u>	<u>9,200</u>	<u>1,683,669</u>

Other charitable activities	2020 £
Resilience Project	90,254
In Patient Stays	186,157
Confidential Care Line	219,984
Volunteer Program	199,531
Peer Support	12,471
Suicide Prevention Workshops	24,766
Return to Work	16,789
Employment Costs	252,876
Other	2,445
Allocation of support and governance costs (note 8)	488,611
Total grants and charitable activities	<u><u>3,177,553</u></u>

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

7. CHARITABLE ACTIVITIES (CONTINUED)

Grants made to institutions

	2021 £	2020 £
Major grants		
National Police Memorial Day	-	12,000
Scottish Police Memorial Day	-	660
RPOAS	-	30,000
Police Treatment Centres	2,250,000	250,000
M.A.P.S.	-	4,750
	2,250,000	297,410
1 in 4 grants		
PCC North Wales	-	24,420
PCC GMP	-	14,878
PCC Lancashire	-	55,680
PCC Warwickshire	44,064	-
PCC Gwent	-	50,000
PCC West Yorkshire	40,000	50,000
PCC for Northern Ireland	-	83,773
PCC Suffolk	55,267	27,265
PCC Kent	-	64,486
PCC Durham	22,917	75,832
PCC Humberside	35,144	68,910
PCC Devon & Cornwall	32,386	45,581
SPA	58,024	66,928
Met Police	-	50,000
Less accrued projects from last year cancelled	(97,723)	-
	190,079	677,753

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

7. CHARITABLE ACTIVITIES (CONTINUED)

Grants made to institutions (continued)

	2021 £	2020 £
<u>Wellbeing grants</u>		
Scottish Policy Authority	217	15,794
Met Police	2,982	1,784
PCC Lincolnshire	-	3,000
Dyfed Powys	-	420
PCC West Mercia	-	3,000
PCC Sussex	-	3,000
PCC Greater Manchester Police	-	2,117
PCC Cheshire	-	1,022
PSNI	-	3,000
PCC Nottingham	-	7,689
PCC Surrey / Sussex	-	3,000
PCC Humberside	-	6,000
PCC West Midlands	-	3,000
PCC Hertfordshire	-	3,000
PCC Devon & Cornwall	-	2,500
PCC Merseyside	-	3,000
PCC Leicestershire	-	1,089
PCC Bedfordshire	-	895
East Midlands Specialist Operations	-	3,000
Less grant accruals written off	(141)	-
	3,058	66,310
<u>Recovery Days</u>		
PCC Essex	-	2,784
Scottish Police Authority	-	8,307
PCC Hampshire	-	1,800
	-	12,891
Total grants payable to institutions	2,443,137	1,054,364

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

8. SUPPORT COSTS

	Support costs £	Governance Costs £	Total 2021 £	Total 2020 £
Staff costs	234,760	-	234,760	219,187
Depreciation	12,230	-	12,230	14,389
Computer running costs	58,389	-	58,389	43,968
Travel	1,033	-	1,033	5,671
Energy and rates	16,086	-	16,086	18,937
Rent	74,698	-	74,698	73,186
Service Charge	19,150	-	19,150	23,124
Insurance	11,256	-	11,256	8,670
Telecommunications	9,670	-	9,670	10,218
Printing, postage and stationery	3,055	-	3,055	8,766
Training and subscriptions	8,769	-	8,769	10,812
Marketing and communications costs	53,070	-	53,070	156,861
Repairs, cleaning and office sundries	11,036	-	11,036	15,025
Bank charges	1,300	-	1,300	1,591
Relocation costs	118	-	118	-
Audit fees	-	12,300	12,300	11,880
Accountancy	-	6,852	6,852	5,933
Legal and professional	-	74,357	74,357	51,786
Trustees	-	47	47	18,012
	<u>514,620</u>	<u>93,556</u>	<u>608,176</u>	<u>698,016</u>
Analysed between				
Fundraising (note 6)	116,304	21,144	137,448	209,405
Charitable activities (note 7)	398,316	72,412	470,728	488,611
	<u>514,620</u>	<u>93,556</u>	<u>608,176</u>	<u>698,016</u>

Governance costs include payments to the auditors of £12,300 (2020: £11,880) for the audit of the financial statements and £3,000 (2020: £2,940) for accountancy services. Amounts include VAT.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

8. SUPPORT COSTS (continued)

Comparative figures for 2020

	Support costs £	Governance costs £	Total 2020 £
Staff costs	219,187	-	219,187
Depreciation	14,389	-	14,389
Computer running costs	43,968	-	43,968
Travel	5,671	-	5,671
Energy and rates	18,937	-	18,937
Rent	73,186	-	73,186
Service Charge	23,124	-	23,124
Insurance	8,670	-	8,670
Telecommunications	10,218	-	10,218
Printing, postage and stationery	8,766	-	8,766
Training and subscriptions	10,812	-	10,812
Marketing and communications costs	156,861	-	156,861
Repairs, cleaning and office sundries	15,025	-	15,025
Bank charges	1,591	-	1,591
Audit fees	-	11,880	11,880
Accountancy	-	5,933	5,933
Legal and professional	-	51,786	51,786
Trustees	-	18,012	18,012
	<u>610,405</u>	<u>87,611</u>	<u>698,016</u>
Analysed between			
Fundraising (note 6)	183,122	26,283	209,405
Charitable activities (note 7)	427,283	61,328	488,611
	<u>610,405</u>	<u>87,611</u>	<u>698,016</u>

9. TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration during the year. No Trustees had their expenses reimbursed or met by the Charity totalling £Nil (2020: £7,422) for travel, subsistence and accommodation. Donations received from Trustees during the year was £Nil (2020: £1,031).

No Trustee or other person connected to the Charity had any personal interest in any contract or transaction entered into by the charitable company during the current or preceding year.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

10. EMPLOYEES

	2021 Average Number	2020 Average Number
Average number of staff	<u>20</u>	<u>16</u>
Employment costs		
	2021 £	2020 £
Wages and salaries	680,114	580,956
Social security costs	65,315	55,742
Other pension costs	40,505	25,867
Redundancy payments	-	12,600
	<u>785,934</u>	<u>675,165</u>

The number of employees whose annual remuneration was £60,000 or more were as follows:

	2021 Number	2020 Number
£70,000 – 80,000	<u>1</u>	<u>1</u>

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation including NI and pension contributions	<u>276,880</u>	<u>204,263</u>

11. TAXATION

The Charity is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

12. TANGIBLE FIXED ASSETS

	Computer Equipment £	Furniture & Fittings £	Equipment £	Total £
Cost				
At 1 April 2020	69,215	18,303	1,871	89,389
Additions	8,019	-	338	8,357
Disposals	(5,528)	(10,998)	-	(16,526)
At 31 March 2021	<u>71,706</u>	<u>7,305</u>	<u>2,209</u>	<u>81,220</u>
Depreciation				
At 1 April 2020	51,293	13,804	520	65,617
Depreciation charged in the year	9,885	1,703	642	12,230
Disposals	(5,528)	(10,998)	-	(16,526)
At 31 March 2021	<u>55,650</u>	<u>4,509</u>	<u>1,162</u>	<u>61,321</u>
Net book value				
At 31 March 2021	<u>16,056</u>	<u>2,796</u>	<u>1,047</u>	<u>19,899</u>
At 31 March 2020	<u>17,922</u>	<u>4,499</u>	<u>1,351</u>	<u>23,772</u>

13. INVESTMENT PROPERTY

	2021 £	2020 £
Fair value		
At 1 April 2020	225,000	225,000
Revaluation	40,000	-
At 31 March 2021	<u>265,000</u>	<u>225,000</u>

Investment property comprises a property in Southampton. The fair value of the investment property has been arrived at on the basis of a valuation carried out in 2021 by Now Chartered Surveyors. The valuation was made on an open market value basis by reference to market evidence to transaction prices for similar properties. The Trustees are of the opinion that there has been no material change in valuation since this date.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

14. FIXED ASSET INVESTMENTS

	Investments £
Cost or valuation	
Market value at 1 April 2020	24,347,460
Additions	10,603,929
Disposals	(13,571,257)
Net investment gains	4,960,190
	<hr/>
Market value at 31 March 2021	26,340,322
	<hr/>

Fixed Asset investments include listed investments of £25,612,254, unlisted investments of £397,355, and cash of £330,713. The historic cost of the portfolio is £28,356,615 (2020: £28,574,981).

15. PROPERTY HELD FOR RESALE

	2021 £
Fair value at 31 March 2020	550,000
Net proceeds from sale	(537,364)
Loss on sale	(12,636)
	<hr/>
Fair value at 31 March 2021	-
	<hr/>

In March 2019 the Charity relocated to Woking and placed its property at Mount Mews, Hampton on the market for resale. The property was sold in October 2020 for £550,000.

16. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	6,966	3,589
Prepayments and accrued income	624,407	495,920
	<hr/>	<hr/>
	631,373	499,509
	<hr/>	<hr/>

17. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	137,429	25,553
Accruals and deferred income	309,426	203,561
Other creditors	135,398	358,191
	<hr/>	<hr/>
	582,253	587,305
	<hr/>	<hr/>

Included within other creditors are grants payable, figures stated below:

	2021 £	2020 £
Grants payable	134,602	338,934
	<hr/>	<hr/>

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

18. UNRESTRICTED FUNDS

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Movement in funds		Other gains and transfers £	Balance at 31 March 2021 £
		Income £	Expenditure £		
Designated funds					
Welfare fund	250,000	-	-	-	250,000
1 in 4 Fund	687,324	-	(190,079)	(155,498)	341,747
Investment fund	17,356,816	-	-	4,325,278	21,682,094
Mental health fund	3,250,000	-	(2,250,000)	-	1,000,000
Planned call on reserves	4,651,805	-	-	422,285	5,074,090
	<u>26,195,945</u>	<u>-</u>	<u>(2,440,079)</u>	<u>4,592,065</u>	<u>28,347,931</u>
General funds	3,412,985	1,662,848	(2,413,467)	395,489	3,057,855
	<u>29,608,930</u>	<u>1,662,848</u>	<u>(4,853,546)</u>	<u>4,987,554</u>	<u>31,405,786</u>

Welfare Fund

The Trustees set aside £250,000 to support members of the police service impacted by a major terrorist or other large scale critical event, to assist in the provision in access to appropriate and timely psychological support. The need for this fund will be reviewed in the event of the national threat level dropping below Severe.

1 in 4 Fund

Following the publication of our Injury on Duty Report in 2016 Trustees set aside a total fund of £3m in to be awarded over 3 years to help police forces improve their wellbeing provision for police officers and staff. Grants of up to £150,000 are awarded.. This fund has now closed to new applications.

Investment Fund

Reserves are designated to reflect the Charity's requirement to hold in reserve the value of investments to support the income target for the year ahead.

Mental Health Fund

The Trustees have set aside a fund to improve access to psychological care.

Planned Call on Reserves

The Charity is currently planning on an operational deficit over the next two years of approximately £2.5 million per year.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

18. UNRESTRICTED FUNDS (continued)

Comparative Designated Funds for 2020

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Movement in funds		Other gains and transfers £	Balance at 31 March 2020 £
		Income £	Expenditure £		
Designated funds					
Welfare fund	250,000	-	-	-	250,000
1 in 4 Fund	2,287,581	-	(677,753)	(922,504)	687,324
Investment fund	27,326,500	-	-	(9,969,684)	17,356,816
Mental health fund	3,500,000	-	(250,000)	-	3,250,000
Planned call on reserves	-	-	-	4,651,805	4,651,805
	<u>33,364,081</u>	<u>-</u>	<u>(927,753)</u>	<u>(6,240,383)</u>	<u>26,195,945</u>
General funds	514,724	1,592,745	(2,843,956)	4,149,472	3,412,985
	<u>33,878,805</u>	<u>1,592,745</u>	<u>(3,771,709)</u>	<u>(2,090,911)</u>	<u>29,608,930</u>

19. RESTRICTED FUNDS

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Movement in funds		Transfers £	Balance at 31 March 2021 £
		Income £	Expenditure £		
Warwickshire	500	-	-	-	500
	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>

Warwickshire relates to a legacy received which is restricted to activity in Warwickshire.

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

19. RESTRICTED FUNDS (continued)

Comparative Restricted Funds for 2020

The income funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Movement in funds		Transfers £	Balance at 31 March 2020 £
		Income £	Expenditure £		
Hampshire	16,924	-	(16,924)	-	-
Warwickshire	-	500	-	-	500
	<u>16,924</u>	<u>500</u>	<u>(16,924)</u>	<u>-</u>	<u>500</u>

Hampshire relates to a legacy received which is restricted to activity in Hampshire.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Restricted Funds £	Total 2021 £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	-	19,899	-	19,899
Investment property	265,000	-	-	265,000
Investments	-	26,340,322	-	26,340,322
Current assets/liabilities	2,792,855	1,987,710	500	4,781,065
	<u>3,057,855</u>	<u>28,347,931</u>	<u>500</u>	<u>31,406,286</u>

Comparative Analysis of net Assets Between Funds for 2020

	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Fund balances at 31 March 2020 are Represented by:				
Tangible assets	-	23,772	-	23,772
Investment property	225,000	-	-	225,000
Investments	-	24,347,460	-	24,347,460
Current assets	3,187,985	1,824,713	500	5,013,198
	<u>3,412,985</u>	<u>26,195,945</u>	<u>500</u>	<u>29,609,430</u>

POLICE CARE UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

21. RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £40,505 (2020: £25,867).

22. OPERATING LEASE COMMITMENTS

At the reporting end date, the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Land & Buildings 2021 £	Fittings & equipment 2021 £	Total 2021 £	Land & Buildings 2020 £	Fittings & equipment 2020 £
Amounts payable:					
Within one year	68,561	5,971	74,532	68,561	5,972
Between two and five years	102,841	498	103,339	171,402	6,469
	<u>171,402</u>	<u>6,469</u>	<u>177,871</u>	<u>239,963</u>	<u>12,441</u>

On 19th July 2021 the Charity acquired additional office space at Nova Scotia House, namely Unit 2 on the ground floor under a 10 year lease. At the same date, and as part of the negotiation, the existing lease for the first floor was reissued for 10 years to be coterminous with the ground floor.

23. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2020: none).

24. CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Net expenditure before investment gains	(3,190,698)	(2,195,388)
Adjustments for:		
Dividends and interest income from investments	(683,594)	(876,552)
Depreciation charges	12,230	14,389
Decrease in stocks	-	2,982
(Increase)/decrease in debtors	(131,864)	154,289
(Decrease)/increase in creditors	(5,052)	215,021
Net cash (used in) operations	<u>(3,998,978)</u>	<u>(2,685,259)</u>

25. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income and endowments from:			
Donations and legacies	716,113	500	716,613
Other trading activities	80	-	80
Investments	876,552	-	876,552
Total income	1,592,745	500	1,593,245
Expenditure on:			
<i>Raising funds</i>			
Fundraising and publicity	463,938	-	463,938
Trading costs	-	-	-
Investment management	185,424	-	185,424
	649,362	-	649,362
Charitable activities	3,122,347	16,924	3,139,271
Total expenditure	3,771,709	16,924	3,788,633
Net expenditure before investment (losses)/gains	(2,178,964)	(16,424)	(2,195,388)
Revaluation of property held for resale	-	-	-
Net (losses)/gains on Investments	(2,090,911)	-	(2,090,911)
Net (expenditure)/income before transfers	(4,269,875)	(16,424)	(4,286,299)
Gross transfers between funds	-	-	-
Net movement in funds	(4,269,875)	(16,424)	(4,286,299)
Fund balances at 1 April 2019	33,878,805	16,924	33,895,729
Fund balances at 31 March 2020	29,608,930	500	29,609,430