

Police Children's Fund

England & Wales · Charity number 1156903

Details

Other names THE GURNEY FUND

Status Registered

Legal form Charitable company

Company number [08542702](#)

Registered 2014-05-02

Register [View on the Charity Commission register](#)

Contact

Address 9 Bath Road
Worthing
BN11 3NU

Phone 01903237256

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Website www.policechildrensfund.org

Activities

Objects: The relief of children in need by reason of financial hardship or other social or economic disadvantage, including by supporting the advancement of their education and personal development, to enable them to contribute to society as mature and responsible individuals. In this Article: 'children' shall include young adults still in education, and shall mean a child or adopted child of a relevant officer. The Trustees may consider applications relating to a step-child of a relevant officer if they consider that the step-child was substantially supported by the relevant officer, or children of a serving officer from one of the contributing Police Forces where it is the officer's spouse that is deceased, causing hardship. 'relevant officer' shall mean a deceased officer or ex-officer, or an officer retired on medical grounds, who were serving with one of the contributing Police Forces at their death or retirement.

Activities: For the care and education of children of deceased or medically retired police officers from subscribing forces in England and Wales.

Classification

- **How:** Makes Grants To Individuals
- **What:** Education/training, The Prevention Or Relief Of Poverty
- **Who:** Children/young People

Geography

- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|--------|-----------|
| 2025-03-31 | £436,798 | £786,788 | - | - |
| 2024-03-31 | £417,921 | £981,207 | - | - |
| 2023-03-31 | £422,520 | £1,089,507 | - | - |
| 2022-03-31 | £410,848 | £917,052 | - | - |
| 2021-03-31 | £406,383 | £997,806 | - | - |

Trustees

| Name | Role | Appointed |
|------------------------------|-------|------------|
| Tim Packham | Chair | 2015-01-01 |
| CATHERINE ELIZABETH ROPER | | 2024-11-07 |
| Garry Robert Smith | | 2022-05-05 |
| Helen Rachel Anne Darby | | 2022-08-04 |
| Ian John Simmons | | 2020-11-12 |
| JONATHAN MARK ROSS | | 2024-08-08 |
| Jonathan Matthew Carter-Lang | | 2021-08-05 |
| MELANIE WARNES | | 2021-08-05 |
| Mark Tyler | | 2020-11-12 |
| Rachel Ann Nolan | | 2023-02-02 |
| THOMAS WILLIAM ARTHUR | | 2022-05-05 |
| WARREN FRANKLIN | | 2024-08-08 |

Linked charities

- THE GURNEY FUND FOR POLICE ORPHANS (1156903-1)
- THE GURNEY BENEVOLENT FUND (1156903-2)

Police Children's Fund

England & Wales - Charity number 1156903

Accounts

police children's *fund.*



TRUSTEE'S REPORT AND AUDITED
GROUP FINANCIAL STATEMENTS

For the year ended 31 March 2025

Police Children's Fund Registered Company number 08542702
Police Children's Fund Registered Charity number 1156903
The Gurney Benevolent Fund Registered Charity number 1156903-2

POLICE CHILDREN'S FUND

TRUSTEES' REPORT AND AUDITED GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

POLICE CHILDREN'S FUND

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POLICE CHILDREN'S FUND

LEGAL AND ADMINISTRATIVE DETAILS

Police Children's Fund is administered by:

Chairman T Packham

Treasurer T Arthur

Managing Trustees and Directors M Brunning Resigned May 2024
J Carter-Lang
H Darby
R Nolan
I Simmons
M Tyler
M Warnes
G Smith
W Franklin Appointed August 2024
C Roper Appointed November 2024
J Ross Appointed August 2024

Fund Manager S Keywood

Company number 08542702

Charity numbers 1156903 & 1156903-2

Registered Office 9 Bath Road
Worthing
West Sussex
BN11 3NU
Tel: 01903 237256
Web Site: www.policechildrensfund.org

Bankers Lloyds Bank Plc
41-43 South Street
Worthing
West Sussex
BN11 3AU

Chartered Accountants and Statutory Auditor Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Investment Managers Charles Stanley & Company Limited
Windsor House
6 - 10 Mount Ephraim House
Tunbridge Wells
Kent
TN1 1EE

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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

As we enter a new year, I am proud to reflect on how far we have come and excited about the direction we are heading. The past year has seen the full implementation of our rebrand to Police Children's Fund, and we are already seeing the positive impact of this renewed identity. The name now clearly reflects who we are and what we do, a charity dedicated to supporting the children of police officers through life's most difficult challenges.

Our updated Articles of Association and Objects, now formally adopted, have positioned us to better meet the evolving needs of police families from our twenty-two contributing forces. While our mission remains grounded in the values established by our founder Catherine Gurney, we are now more agile, inclusive and able to respond to the pressures faced by modern police families.

This year, our work has continued against a backdrop of ongoing economic uncertainty for many households. Rising living costs, interest rate pressures, and instability in public services have made our support more vital than ever. We've seen an increase in applications for help, and I'm proud to say we've responded with compassion, speed, and sustainability.

We have welcomed three new trustees to the board of directors; Catherine Roper, Warren Franklin and Jonathan Ross. I would like to place on record my gratitude to Martin Brunning who stepped down as a trustee after five years. Martin was passionate about Police Children's Fund and instrumental in helping the charity move forward. I am always grateful for the continued support and commitment of all the trustees as well as the Fund's employees and advisers.

As reported last year, renovation work commenced on the registered office at Bath Road in Worthing. The property has been a Fund asset for over 60 years and was in need of decoration and repair both internally and externally. With work now complete it provides a safe and welcoming environment for staff, trustees and visitors.

Our royal patronage under His Majesty King Charles III has helped to raise our profile significantly. It has opened doors for greater awareness, partnerships and fundraising opportunities, all of which help us reach more police children who need us.

Looking ahead, our focus is on growth, increasing the number of donating officers, strengthening engagement with our twenty-two contributing police forces and exploring new ways to provide support to families in need.

A huge thank you to our supporters. Whether you donate, fundraise, promote our work or simply share our story, your efforts are building something meaningful for the next generation of police families.

The following covers the Fund's financial year 1 April 2024 to 31 March 2025.

The Trustees present their report and the audited financial statements of the Charity for the year ended 31 March 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and the financial statements of the Charity.

ESTABLISHMENT OF THE FUND

In 1890 Miss Catherine Gurney, OBE, established the Provincial Police Orphanage in Hove, East Sussex. The orphanage closed in 1947 and a permanent endowment was transferred to the Gurney Benevolent Fund. In 1948 The Gurney Fund came into being to provide allowances for the children of deceased or medically retired officers. In November 1978 approval was given to amend the Fund's title to The Gurney Fund for Police Orphans, the use of which continued until The Gurney Benevolent Fund and The Gurney Fund for Police Orphans were merged to form the incorporated charity The Gurney Fund on 1 October 2014. On 17 October 2023 the Fund's title was officially changed to Police Children's Fund and remains a company limited by guarantee.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its' governing document; the Articles of Association adopted 22 May 2013, as amended by Special Resolutions dated 7 November 2013, 11 February 2014, 12 November 2015, 14 June 2023, 17 October 2023, 2 November 2023, 24 September 2024 and 4 June 2025 and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

Appointment of Trustees

In accordance with Articles 17.1 and 17.9 of the Articles of Association, the Board of trustees when complete should consist of not more than twelve individuals, such appointments being nominated by the Nominating Bodies as follows:-

- Up to two nominated by the National Police Chief's Council
- Up to two nominated by the Police Superintendent's Association
- Up to eight nominated by the Branches of the Police Federation of England and Wales of the contributing Police Forces

In each case the nominated Trustee being a member of the Nominating Body that nominates them and a serving officer of a contributing Police Force or a member of a branch of NARPO of a contributing Police Force:

- Up to two co-opted Trustees appointed for their skills and experience and their nomination or appointment being approved by existing Trustees

The Board meets at least four times a year at which five members constitute a quorum. Any matters at Board or General Meetings shall be determined by the majority of the votes of the members present.

Trustees' Training

New trustees are issued with a comprehensive information pack and on appointment they attend an induction course given by the Fund Manager. The course provides information on the Fund's structure and operation as well as the legal responsibilities and duties of a trustee. Changes in legislation and Charity Commission Guidelines are circulated to all trustees and discussed at board meetings.

Remuneration policy

The group considers its key management personnel comprise the Trustees, Fund Manager and Communications Co-ordinator. Trustees are not remunerated for their time but are reimbursed for reasonable expenses. There is also a Paying Employees Policy which is reviewed every three years.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

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

"The relief of children in need by reason of financial hardship or other social or economic disadvantage, including by supporting the advancement of their education and personal development, to enable them to contribute to society as mature and responsible individuals.

In this Article:

•'children' shall include young adults still in education and shall mean a child or adopted child of a relevant officer. The Trustees may consider applications relating to a stepchild of a relevant officer if they consider that the stepchild was substantially supported by the relevant officer, or children of a serving officer from one of the contributing Police Forces where it is the officer's spouse that is deceased, causing hardship.

•'relevant officer' shall mean a deceased officer or ex-officer, or an officer retired on medical grounds, who were serving with one of the contributing Police Forces at their death or retirement."

The Trustees carry out the Fund's objectives by issuing weekly allowances, educational and mental health support grants and awarding Christmas and birthday gift payments.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

It is an established fact that an allowance from the Fund is a matter of bounty and not of right. All benefits are paid according to financial need and at the sole discretion of the Trustees.

FINANCIAL REVIEW

Contributions are derived from police officers and staff who donate through their force payroll, public donations and legacies. Further revenue is raised from the investment dividends and interest on the investment account at the bank.

At 31 March 2025 a total of 179 beneficiaries were in receipt of a weekly allowance.

In addition, payments were awarded towards educational expenditure and mental health support.

The Annual Review took place in February 2025 and identified 31 beneficiaries where a financial need for assistance to continue could no longer be established. Weekly allowances were increased for 3 beneficiaries and reduced for 35.

Where allowances from the Fund cease because a financial need can no longer be established, links with the families may be maintained until the children complete their education. At 31 March 2025 contact was being maintained with 210 beneficiaries who remained eligible for celebratory payments and mental health support grants upon application.

At 31 March 2025 there were 51 beneficiaries registered for higher education assistance.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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

Fund Raising Standards

The charity recognises the vital contribution made by its supporters, with voluntary donations accounting for approximately 55% of the charity's incoming resources. Without this support it would not be possible for the charity to continue to undertake its current level of activity to those families in need.

We believe that giving to charity should be a positive experience, and to help ensure that this is the case the charity has put in place a policy that seeks to ensure that the highest possible standards of fundraising practice are being adopted. All fundraising activity is monitored and administered by the Fund's Manager and Communications Co-ordinator. The charity is also registered with the Fundraising Regulator.

The charity welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activities.

RESERVES POLICY

The Fund supports its beneficiaries over long periods and in ensuring that sufficient reserves are held for the continuity of such support, the trustees are mindful of the need to make long term financial projections.

The Trustees regularly review the level of reserves to ensure they are appropriate, taking into account projections of:

- (a) the number of donors;
- (b) the number of beneficiaries;
- (c) the level of inflation;
- (d) income and capital growth yields available for the investment portfolio.

At the year end, the charity had total unrestricted funds of £6,424,699 (2024: £6,748,098). Free reserves, which are unrestricted funds less tangible fixed assets and designated funds, were £2,867,352 (2024: £2,865,273). The charity had total restricted funds of £348,282 (2024: £342,276) and designated funds at the year-end were £3,157,347 (2024: £3,482,825). Designated funds relate to the market value of investments at year end less aggregate unrealised gains on investments when the market value exceeded historic cost. At the year end, the charity had total funds of £6,772,981 (2024: £7,090,374).

INVESTMENT POLICY

The Trustees have identified the need to invest for a balance of growth and income in order to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Fund's Investment Manager: Charles Stanley & Co Limited.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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

INVESTMENT PERFORMANCE REVIEW

The Trustees have identified the need to invest for a balance of growth and income in order to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Fund's Investment Manager: Charles Stanley & Co Limited.

It is fair to state that we have witnessed some momentous events over the last twelve months, ranging from the re-election of President Trump with his subsequent instigation of trade tariffs, the outbreak of Israeli and Palestinian conflict in the Middle East and of course, the sell off in the technology sector with the apparent "cheap" version of Chinese AI - Deepseek. Whilst many of these issues initially unsettled markets, it appeared that investors adjusted their portfolios and their effects decreased as time passed.

Over the last year there has been a swing to the right in global politics, stemming from concerns about defence, immigration and in the case of eastern Europe, the aggressive Russian bear prowling westwards. This led to strong performances from the arms and defence sectors, and helped the tech sector recover from its earlier wobbles. Given the agreed NATO members' increases in defence expenditure and the unknown effects of Trump's tariffs, central banks were loathe to reduce interest rates at too fast a pace, as inflation was a likely consequence. As stated last year, rates are likely to stay higher for longer, however, with muted economic growth being seen they will be under more pressure to reduce rates in the second half of 2025.

Looking at performance over the last year (to 31 March 2025) the main fund was higher on a total return basis by 2.64%. By comparison the most fitting benchmark index, the MSCI PIMFA Private Balanced Index was higher by 4.58%. The main reason for this marginal underperformance was our lower exposure to fixed interest investments (when compared to the index) which had been quite strong over the preceding year. To provide a more up to date comparison, the total return in the last three months (to 30.06.25) is +5.5% which just shows how volatile asset values can be.

Annual income from the portfolio increased markedly over the year, going from £167,227 to £180,916 which is an equivalent gross yield of 3.02%. This is mainly due to our small pivot into more income bearing investments, which is a natural response in times of market uncertainty. Dividend income is more predictable than capital gains. We would not expect to increase the fixed interest exposure in any meaningful way from current levels, as we believe that economic signs are slowly improving globally, although there remain some markets where this is not immediately discernible, such as the UK where we remain underweight.

Gazing into the future, investment prospects seem a little better than they were six months ago, as markets have adjusted to the mercurial nature of the 47th President and are taking things in their stride, however, this does not preclude that there is more uncertainty to come. Being aware of the curveballs that may follow, we have determined that taking a risk-off approach is appropriate and we are not taking any actions that would divert us away from the long-established investment strategy which is to achieve a balance between income and capital growth without taking unnecessary risk.

FUTURE PLANS AND POST BALANCE SHEET EVENTS

In May 2025 the Board of Trustees approved a proposal to address the current financial support offered to our beneficiaries and the potential enhancements which could render our charitable work more meaningful. From 1 April 2026 the weekly allowance will be replaced with a new range of grants to assist with a child's education, development, wellbeing and mental health. All beneficiaries have been notified of the change and details of the new grants becoming available will be shared in the lead up to the change. The Trustees see this as a positive change which will provide a broader range of support to our beneficiaries.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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

GENERAL

The Fund's board meets four times a year which provides opportunities for collective decision-making and for contributing creative ideas to ensure the charity thrives with the sole purpose of helping beneficiaries. With assistance from our advisers the meetings also provide an opportunity for trustees to ensure that changes in legislation and recommendations from the Charity Commission are implemented.

Officer donations were last increased, from 10p to 20p per week, on 1 January 1989. The matter is reviewed regularly. When the need for an increase is identified the Fund's stakeholders will be consulted fully before any change is made.

RISK REGISTER

As part of its on-going risk assessment management, the major risks to which the Fund is exposed are continually assessed and the findings reviewed by the Trustees. The Trustees are satisfied that appropriate measures are in place to mitigate the exposure to such risks.

THANKS

The Trustees gratefully acknowledge and record warmest thanks to the Fund's employees, professional advisers and those within the contributing police forces (including Chief Constables and Federation Representatives) for their assistance in ensuring the welfare of Fund beneficiaries is maintained in every respect possible.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources, including the income and expenditure, of the charitable company for that period. In preparing financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2006, the Charity (Accounts Reports) Regulations 2008 and the Memorandum & Articles of Association. 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.

POLICE CHILDREN'S FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2025**

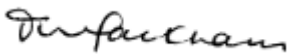
**Company number 08542702
Charity numbers 1156903 & 1156903-2**

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

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

This report, which included the directors' report, was approved by the Board on 7-8-2025 and signed on behalf of the Board by



**Tim Packham
Chairman**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

POLICE CHILDREN'S FUND

FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the consolidated financial statements of Poice Children's Fund (the 'parent charitable company') and its subsidiaries (the 'group') and the individual parent company for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, the balance sheets, the Consolidated 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 group's and parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

POLICE CHILDREN'S FUND

FOR THE YEAR ENDED 31 MARCH 2025

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
POLICE CHILDREN'S FUND
FOR THE YEAR ENDED 31 MARCH 2025**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, and employment law. 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 Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. 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 posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Confirmation of investment valuation and income to third party documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

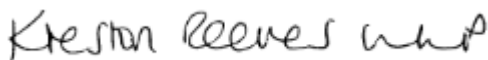
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
POLICE CHILDREN'S FUND
FOR THE YEAR ENDED 31 MARCH 2025**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date 7 August 2025

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

POLICE CHILDREN'S FUND

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

| | Note | Unrestricted funds | | | 2025 | 2024 |
|--|------|--------------------|------------------|-----------------|------------------|------------------|
| | | General £ | Designated £ | Restricted | Total £ | Total £ |
| Income | | | | | | |
| Donations and legacies | 3 | 242,404 | - | - | 242,404 | 237,628 |
| Income from investments | | 180,916 | - | 13,478 | 194,394 | 180,293 |
| Total Income | | 423,320 | - | 13,478 | 436,798 | 417,921 |
| Expenditure | | | | | | |
| Raising funds - investment manager costs | | 33,757 | - | 1,840 | 35,597 | 36,562 |
| Charitable activities | 4 | 751,191 | - | - | 751,191 | 944,645 |
| Total expenditure | | 784,948 | - | 1,840 | 786,788 | 981,207 |
| Net realised gains on investments | | 350,224 | - | 10,544 | 360,768 | 256,959 |
| Net unrealised gains/(loss) on investments | | - | (325,478) | (2,693) | (328,171) | 20,677 |
| Net income/(expenditure) | | (11,404) | (325,478) | 19,489 | (317,393) | (285,650) |
| Transfers between funds | | 13,483 | - | (13,483) | - | - |
| Net movement in funds | | 2,079 | (325,478) | 6,006 | (317,393) | (285,650) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 3,265,273 | 3,482,825 | 342,276 | 7,090,374 | 7,376,024 |
| Total funds carried forward | | 3,267,352 | 3,157,347 | 348,282 | 6,772,981 | 7,090,374 |

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

**POLICE CHILDREN'S FUND
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025**

Company number 08542702
Charity numbers 1156903 & 1156903-2

| | Notes | 2025 | | 2024 | |
|---|-------|-----------------|------------------|-----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments | 7 | | 6,269,435 | | 6,593,749 |
| | | | <u>6,669,435</u> | | <u>6,993,749</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 51,359 | | 45,781 | |
| Cash at bank and in hand | | 30,254 | | 64,369 | |
| Deposit accounts | | 29,068 | | 13,111 | |
| Stockbroker income account | | 11,270 | | 13,361 | |
| | | <u>121,951</u> | | <u>136,622</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(18,405)</u> | | <u>(39,997)</u> | |
| Net current assets | | | 103,546 | | 96,625 |
| Total assets less current liabilities | | | <u>6,772,981</u> | | <u>7,090,374</u> |
| Group funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 3,265,273 | | 3,570,282 | |
| Movement for the year | | (11,404) | | (314,599) | |
| Transfer between reserves | | 13,483 | | 9,590 | |
| Carried forward | | | 3,267,352 | | 3,265,273 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 3,482,825 | | 3,468,656 | |
| Movement for the year | | (325,478) | | 14,169 | |
| Carried forward | | | 3,157,347 | | 3,482,825 |
| Restricted funds the Gurney Benevolent Endowment | | | | | |
| Investment fund | | | | | |
| Brought forward | | 342,276 | | 337,087 | |
| Movement for the year | | 19,489 | | 14,780 | |
| Transfer between reserves | | (13,483) | | (9,591) | |
| Carried forward | | | 348,282 | | 342,276 |
| Total Group funds | | | <u>6,772,981</u> | | <u>7,090,374</u> |

The notes 1 to 20 form part of these accounts.

For the year ending 31 March 2025 the parent company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this parent company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the trustees and authorised for issue on 7 August 2025 and signed on its behalf by



Tim Packham
Chairman

POLICE CHILDREN'S FUND

**CHARITY BALANCE SHEET
AS AT 31 MARCH 2025**

**Company number 08542702
Charity number 1156903**

| | Notes | 2025 | | 2024 | |
|--|-------|-----------------|------------------|-----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments at market value | 7 | | 5,943,323 | | 6,259,577 |
| | | | <u>6,343,323</u> | | <u>6,659,577</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 51,087 | | 45,275 | |
| Cash at bank and in hand | | 30,254 | | 64,373 | |
| Deposit accounts | | 10,678 | | 9,022 | |
| Stockbroker income account | | 7,765 | | 9,851 | |
| | | <u>99,784</u> | | <u>128,521</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(18,405)</u> | | <u>(39,997)</u> | |
| Net current assets | | | 81,379 | | 88,524 |
| Total assets less current liabilities | | | <u>6,424,702</u> | | <u>6,748,101</u> |
| Charity funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 3,265,276 | | 3,570,284 | |
| Movement for the year | | 2,079 | | (305,008) | |
| Carried forward | | | 3,267,355 | | 3,265,276 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 3,482,825 | | 3,468,656 | |
| Movement for the year | | (325,478) | | 14,169 | |
| Carried forward | | | 3,157,347 | | 3,482,825 |
| Total Charity funds | | | <u>6,424,702</u> | | <u>6,748,101</u> |

The notes 1 to 20 form part of these accounts.

For the year ending 31 March 2025 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the trustees and authorised for issue on 7 August 2025 and signed on its behalf by



**Tim Packham
Chairman**

POLICE CHILDREN'S FUND

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025**

| | Note | 2025 £ | 2024 £ |
|--|-----------------------------|------------------|------------------|
| Net cash outflow from operating activities | 1 | (377,256) | (553,359) |
| Net cash inflow from investing activities | 2 | 357,007 | 416,820 |
| Net (decrease) in cash balances held | 3 | (20,249) | (136,539) |
| Cash and cash equivalents consists of: | | | |
| | | 2025 £ | 2024 £ |
| Cash at bank and in hand | | 70,592 | 90,841 |
| Cash and cash equivalents at 31 March | | 70,592 | 90,841 |
| Note 1 - Reconciliation of changes in resources to net inflow from operating activities | | | |
| | | 2025 £ | 2024 £ |
| Net income/(expenditure) for the year before other recognised gains and losses | | (349,990) | (563,286) |
| (Increase) in debtors | | (5,578) | (9,212) |
| (Decrease)/increase in creditors | | (21,688) | 19,139 |
| Net cash outflow from operating activities | | (377,256) | (553,359) |
| Note 2 - Net investment proceeds/(purchases) | | | |
| | | 2025 £ | 2024 £ |
| Payments to acquire shares | | (349,431) | (850,663) |
| Receipts from sales of shares | | 706,438 | 1,267,483 |
| Net cash inflow from investing activities | | 357,007 | 416,820 |
| Note 3 - Net decrease in cash balances held | | | |
| | Movement in year | 2025 £ | 2024 £ |
| Deposit accounts | 15,957 | 29,068 | 13,111 |
| Stockbroker income account | (2,091) | 11,270 | 13,361 |
| Current account and cash | (34,115) | 30,254 | 64,369 |
| | (20,249) | 70,592 | 90,841 |

POLICE CHILDREN'S FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2025

1 Principal accounting policies

Basis of preparation

Police Children's Fund is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The Trustees of Police Children's Fund, as appointed and elected in accordance with its rules and constitution, are automatically appointed as the Trustees of the Gurney Benevolent Fund in accordance with its governing document. As a result the Trustees of Police Children's Fund also control the Gurney Benevolent Fund and manage the two charities on a unified basis. Accordingly these financial statements consolidate the results of Police Children's Fund (the "charity") and the Gurney Benevolent Fund on a line by line basis. A separate statement of financial activities and income and expenditure account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. Throughout the financial statements "Group" is used when referring to the consolidated results of both Police Children's Fund and the Gurney Benevolent Fund. "Charity" is used when referring to Police Children's Fund only.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Reserves

The group funds support their beneficiaries over long periods of up to 20 years, and in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections. Contributing officers donate by a fixed weekly sum and until an increase in this sum is requested there is no correlation between income from this source and inflationary effects on allowances to beneficiaries.

Within the charity a designated fund has been set-up to isolate any unrealised gains or losses on investments until they are realised upon disposal.

The restricted fund consists of a permanent endowment arising from the sale of certain investments and the sale proceeds of the Southern Provincial Police School and Orphanage. It is the Trustees intention going forward to maintain the level of the Gurney Benevolent Fund investment portfolio invested in the gilts market to at least a balance equal to the permanent endowment fund.

Freehold property

Freehold property is stated at deemed cost less accumulated depreciation and accumulated impairment losses. The Freehold property is currently held at residual value, such that no further depreciation is charged.

Capital expenditure

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

Debtors

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

POLICE CHILDREN'S FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2025

Cash at bank and in hand

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

Creditors and provisions

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

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Pension contributions

The fund contributes to a money purchase scheme on behalf of certain employees which are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of twelve months from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2025**

2 Expenditure

| | 2025 | 2024 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Expenditure is stated after charging: | | |
| Auditor's remuneration: | | |
| Audit of the financial statements | 10,750 | 10,300 |
| Accountancy and other services | 3,050 | 4,620 |
| | 13,800 | 14,920 |

3 Donations and legacies

| | | 2025 | 2024 |
|---------------------------------------|----|----------------|----------------|
| | | £ | £ |
| Forces contributions | | 222,252 | 230,892 |
| Forces donations and collecting boxes | 15 | 2,161 | 3,861 |
| Private donations | 16 | 17,991 | 2,875 |
| | | 242,404 | 237,628 |

4 Expenditure on charitable activities

| | | 2025 | 2024 |
|-------------------------------------|---|----------------|----------------|
| | | £ | £ |
| Allowances and grants to children | | 496,016 | 623,206 |
| Christmas and birthday gifts | | 43,950 | 69,845 |
| Administration costs detailed below | | 103,028 | 125,933 |
| Wages and salaries allocation | 5 | 82,931 | 78,744 |
| Trustees' expenses | | 9,738 | 12,698 |
| Audit of the financial statements | | 10,750 | 10,300 |
| Accountancy and other services | | 3,050 | 4,620 |
| Legal and professional fees | | 1,728 | 19,299 |
| | | 751,191 | 944,645 |
| <u>Administration costs:</u> | | | |
| Telephone and postage | | 1,080 | 1,755 |
| Printing and stationery | | 1,110 | 1,893 |
| Marketing | | 34,329 | 43,674 |
| Sundries | | 633 | 462 |
| Rates and insurance | | 3,116 | 4,967 |
| Lighting, heating and cleaning | | 3,073 | 4,552 |
| Repairs, renewals and garden upkeep | | 57,186 | 65,881 |
| Staff travel and training | | 2,501 | 2,749 |
| | | 103,028 | 125,933 |

Included in charitable activity costs above are governance costs totalling £25,266 (2024: £46,917). These costs include audit and accountancy, legal fees, and trustee meeting expenditure.

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2025**

5 Staff costs

| Group and charity | 2025 | <i>2024</i> |
|--|----------------------|----------------------|
| | £ | <i>£</i> |
| Gross salaries | 71,385 | <i>68,905</i> |
| Employers national insurance contributions | 2,302 | <i>1,897</i> |
| Pension scheme contributions | 9,244 | <i>7,942</i> |
| | <u>82,931</u> | <i><u>78,744</u></i> |

There were no related party transactions in the year except for the reimbursement of trustees' expenses. No remuneration was paid to Trustees in the year but expenses amounting to £2,320 (2024: £2,953) were reimbursed. These expenses related to reimbursed travel expenses and were paid to 11 trustees (2024: 10).

The average number of staff employed during the year was 2 (2024: 2).

Two staff members are entitled to pension contributions relating to a defined contribution pension scheme, there was £786 (2024: £748) of outstanding contributions at the year end (included within creditors). No employee receives employment benefits in excess of £60,000 p.a.

The group considers its key management personnel comprise the trustees, the fund manager and communications co-ordinator. The total employment benefits including employer pension contributions of the key management personnel were £82,931 (2024: £78,744).

6 Freehold property

| Group and charity | 2025 | <i>2024</i> |
|---|-----------------------|-----------------------|
| | £ | <i>£</i> |
| Cost at 1 April 2024 | 400,000 | <i>400,000</i> |
| Cost at 31 March 2025 | <u>400,000</u> | <i><u>400,000</u></i> |
| Historical cost (pre transfer on incorporation) | <u>6,451</u> | <i><u>6,451</u></i> |

The freehold property included above was recognised using a previous basis (valuation basis) valuation as a deemed cost on transition to SORP (FRS 102). The asset is being depreciated from the valuation date of 1 April 2015 and having a net book value of £400,000 (2024: £400,000). This is considered to be the residual value.

7 Investments: listed

| Group | Total | Government | |
|-----------------------------|-------------------------|-------------------|------------------------|
| | | Bonds | Equity Holdings |
| | £ | £ | £ |
| Valuation at 1 April 2024 | 6,593,749 | 376,675 | 6,217,074 |
| Acquisitions | 349,431 | 320,004 | 29,427 |
| Disposals | (345,670) | (15,950) | (329,720) |
| Changes in unrealised gains | (328,075) | (4,675) | (323,400) |
| Valuation at 31 March 2025 | <u>6,269,435</u> | <u>676,054</u> | <u>5,593,381</u> |
| Charity | | | |
| | Total | Government | |
| | £ | Bonds | Equity Holdings |
| | £ | £ | £ |
| Valuation at 1 April 2024 | 6,259,577 | 315,874 | 5,943,703 |
| Acquisitions | 320,765 | 320,004 | 761 |
| Disposals | (311,541) | - | (311,541) |
| Changes in unrealised gains | (325,478) | (4,723) | (320,755) |
| Valuation at 31 March 2025 | <u>5,943,323</u> | <u>631,155</u> | <u>5,312,168</u> |

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2025**

| 8 Debtors | Group 2025 £ | <i>Group 2024 £</i> | Charity 2025 £ | <i>Charity 2024 £</i> |
|---------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Deferred expenses | 737 | 8,351 | 737 | 8,351 |
| Contributions from forces | 44,559 | 34,683 | 44,559 | 34,683 |
| Accrued investment income | 6,163 | 2,747 | 5,711 | 2,241 |
| | <u>51,459</u> | <u>45,781</u> | <u>51,007</u> | <u>45,275</u> |

| 9 Creditors | 2025 £ | <i>2024 £</i> |
|------------------------------|-------------------|-------------------|
| Group and charity | | |
| PAYE and NI | 1,829 | 1,687 |
| Other creditors and accruals | 16,576 | 38,312 |
| | <u>18,405</u> | <u>39,999</u> |

| 10 Designated funds | 2025 £ | <i>2024 £</i> |
|--|-------------------|-------------------|
| Charity | | |
| Market value of investments at 31 March 2025 | 5,943,323 | 6,259,577 |
| Historical cost of investments | (2,785,974) | (2,776,752) |
| | <u>3,157,349</u> | <u>3,482,825</u> |

The Trustees believe it would not be prudent to consider unrealised gains on investments as being expendable as the gains or losses may differ materially from those which are subsequently realised.

When the market value of investments exceeds their historic cost the aggregate unrealised gain is credited to the designated fund. Where the market value of investments is less than their historic cost the aggregate unrealised loss remains within the general fund.

11 Income and expenditure - prior period

| | Unrestricted General funds £ | Unrestricted Designated funds £ | Restricted funds £ | 2024 Total funds £ |
|--------------------------------------|---|--|-----------------------------------|---------------------------------------|
| Income | | | | |
| Donations and legacies | 237,628 | - | - | 237,628 |
| Income from investments | 167,227 | - | 13,066 | 180,293 |
| Total income | <u>404,855</u> | <u>-</u> | <u>13,066</u> | <u>417,921</u> |
| Expenditure | | | | |
| Expenditure on raising funds | 34,775 | - | 1,787 | 36,562 |
| Expenditure on charitable activities | 944,645 | - | - | 944,645 |
| Total expenditure | <u>979,420</u> | <u>-</u> | <u>1,787</u> | <u>981,207</u> |

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2025**

12 Analysis of group net assets by type of fund

| | Fixed Asset £ | Investments £ | Current Assets £ | Creditors £ | Total £ |
|--------------------------|------------------------------|--------------------------|---------------------------------|------------------------|-------------------------|
| Unrestricted funds | 400,000 | 5,943,320 | 99,784 | (18,405) | 6,424,699 |
| Restricted fund - Gurney | - | 326,115 | 22,167 | - | 348,282 |
| Benevolent Fund | | | | | |
| | <u>400,000</u> | <u>6,269,435</u> | <u>121,951</u> | <u>(18,405)</u> | <u>6,772,981</u> |

13 Charity results

| | 2025 £ | 2024 £ |
|--|-------------------------|-------------------------|
| Income | 423,320 | 404,855 |
| Expenditure on raising funds | (33,757) | (34,775) |
| Expenditure on charitable activities | (751,191) | (944,645) |
| Realised gains on investments | 350,224 | 259,967 |
| Unrealised gains / (losses) on investments | (325,478) | 14,169 |
| Transfer from Gurney Benevolent Fund | 13,483 | 9,591 |
| Net income/(expenditure) | <u>(323,399)</u> | <u>(290,838)</u> |

14 Gurney Benevolent Fund results

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

| | 2025 £ | 2024 £ |
|--|---------------------|---------------------|
| The income and expenses were: | | |
| Income from investments | 13,478 | 13,066 |
| Expenditure on raising funds | (1,840) | (1,787) |
| Net realised (losses) on investments | 10,544 | (3,007) |
| Net unrealised gains / (losses) on investments | (2,693) | 6,508 |
| Transfer to general unrestricted fund | (13,483) | (9,591) |
| Net income/(expenditure) for the year | <u>6,006</u> | <u>5,189</u> |

The assets and liabilities were:

| | | |
|-------------------------|-----------------------|-----------------------|
| Fixed asset investments | 326,115 | 334,175 |
| Current assets | 22,167 | 8,101 |
| Total net assets | <u>348,282</u> | <u>342,276</u> |
| Represented by: | | |
| Restricted funds | 348,282 | 342,276 |
| Total funds | <u>348,282</u> | <u>342,276</u> |

POLICE CHILDREN'S FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2025

15 Forces donations and collecting boxes

| | | 2025 | 2024 |
|-----------------------|----------------------------------|--------------|--------------|
| | | £ | £ |
| Portsmouth & SE Hants | NARPO Book Sale | - | 310 |
| Surrey | Police Federation Awards Evening | - | 1,966 |
| Sussex | Police Sport UK | 1,537 | - |
| Hampshire | Police Federation Charity Dinner | - | 1,500 |
| Gloucestershire | Carol Concert | 624 | - |
| Warwickshire | Collection boxes | - | 85 |
| | | <u>2,161</u> | <u>3,861</u> |

16 Private donations

| | | 2025 | 2024 |
|----------------------------|--|---------------|--------------|
| | | £ | £ |
| Anonymous | | 360 | 360 |
| S Scott-Green | | 10,000 | - |
| Doubleday Charitable Trust | | 800 | - |
| Uniform Mortgages | | 280 | - |
| Just Giving | | 6,131 | 1,920 |
| In memory of C Bennett | | - | 25 |
| Mr K Gromett | | 60 | 60 |
| In memory of S Murden | | - | 100 |
| Mr M Helyar | | 120 | 120 |
| Mrs Susan Craggs | | 240 | 200 |
| Much Loved | | - | 90 |
| | | <u>17,991</u> | <u>2,875</u> |

17 Financial commitments

At 31 March 2025 the Charity had total financial commitments under non-cancellable contracts of £nil (2024: £14,026).

18 Legacy income

Legacy income 2025: £nil (2024: £nil).

19 Related party transactions

The total amount of donations received from trustees without conditions 2025: £65 (2024: £60).

20 Ultimate controlling party

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

Police Children's Fund

England & Wales - Charity number 1156903

Accounts

Police Children's Fund Registered Company number 08542702
Police Children's Fund Registered Charity number 1156903
The Gurney Benevolent Fund Registered Charity number 1156903-2

POLICE CHILDREN'S FUND
(FORMERLY THE GURNEY FUND)

TRUSTEES' REPORT AND AUDITED GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

POLICE CHILDREN'S FUND

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POLICE CHILDREN'S FUND

LEGAL AND ADMINISTRATIVE DETAILS

Police Children's Fund is administered by:

Chairman T Packham

Treasurer T Arthur

Managing Trustees and Directors M Brunning Resigned May 2024
J Carter-Lang
H Darby
R Nolan
J Gilmer Resigned February 2024
W Rumford Resigned February 2024
I Simmons
G Smith
M Tyler
M Warnes

Fund Manager S Keywood

Company number 08542702

Charity numbers 1156903 & 1156903-2

Registered Office 9 Bath Road
Worthing
West Sussex
BN11 3NU
Tel: 01903 237256
Web Site: www.policechildrensfund.org

Bankers Lloyds Bank Plc
41-43 South Street
Worthing
West Sussex
BN11 3AU

Chartered Accountants and Statutory Auditor Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Investment Managers Charles Stanley & Company Limited
Windsor House
6 - 10 Mount Ephraim House
Tunbridge Wells
Kent
TN1 1EE

Solicitor H3 Solicitors Limited
Suite 1, Brightams Farm
Partridge Green
Horsham
West Sussex
RH13 8EQ

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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

Last year I mentioned the need for the country to repay its debt for the bailouts from government, a time which led to higher taxation, coupled with the energy crisis caused by the war in Ukraine which in turn has led to higher food and energy costs. Although some of these costs may have reduced slightly in some areas, when coupled with higher mortgage rates this continues to put enormous pressure on many families.

2023/24 was an exceptionally busy year for the charity. I reported last year that in 2022 the trustees had taken the decision to make some changes to its' Articles of Association, including the Objects. At the same time, a complete rebrand was approved and all of these changes were completed by the end of 2023. The charity's values and missions remain the same and the foresight of Catherine Gurney and the work she did for the police community will always be at the heart of what we do. We want to help as many eligible police families as possible, but we also need more officers from our contributing forces to sign up and donate. We hope that the rebrand and change to our Objects will enable us to achieve all of these things and continue to help many more officers and their children.

As part of the rebrand workshops and discussions, a name change was also approved. The board of trustees felt it important to reflect in our name, what we provide as a children's charity therefore, at the start of the 2023/24 financial year we were known as The Gurney Fund but I am pleased to report we are now officially known as Police Children's Fund.

I am delighted to announce that we now have a new patron. To mark the anniversary of Their Majesties' Coronation, we have received news that His Majesty King Charles III is delighted to accept the patronage of Police Children's Fund. This is wonderful news for the Fund, and we are sure that the royal patronage will help highlight our mission to provide police children with financial support and stability throughout their educational and developmental years following a significant change in family life.

I would like to place on record my gratitude to two retiring trustees during this financial year: Bill Rumford and Jenny Gilmer. Both served the Fund for a number of years and made a significant contribution in helping the Fund achieve its' aims. I am always grateful for the continued support and commitment of all the trustees as well as the Fund's employees and advisers.

I would like to take this opportunity to thank all our contributing police officers, donors and fundraisers who continue to support us as it really does make a difference to all those in the Police Children's Fund family.

The following covers the Fund's financial year 1 April 2023 to 31 March 2024.

The Trustees present their report and the audited financial statements of the Charity for the year ended 31 March 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and the financial statements of the Charity.

ESTABLISHMENT OF THE FUND

In 1890 Miss Catherine Gurney, OBE established the Provincial Police Orphanage in Hove, East Sussex. The orphanage closed in 1947 and a permanent endowment was transferred to the Gurney Benevolent Fund. In 1948 The Gurney Fund came into being to provide allowances for the children of deceased or medically retired officers. In November 1978 approval was given to amend the Fund's title to The Gurney Fund for Police Orphans, the use of which continued until The Gurney Benevolent Fund and The Gurney Fund for Police Orphans were merged to form the incorporated charity The Gurney Fund on 1 October 2014. On 17 October 2023 the Fund's title was officially changed to Police Children's Fund and remains a company limited by guarantee.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its' governing document; the Articles of Association adopted 22 May 2013, as amended by Special Resolutions dated 7 November 2013, 11 February 2014, 12 November 2015, 14 June 2023, 17 October 2023 and 2 November 2023 and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

Appointment of Trustees

In accordance with Articles 17.1 and 17.9 of the Articles of Association, the Board of trustees when complete should consist of not more than twelve individuals, such appointments being nominated by the Nominating Bodies as follows:-

- Two nominated by the National Police Chief's Council
- Two nominated by the Police Superintendent's Association
- Up to eight nominated by the Branch Councils of the Police Federation of England and Wales of the contributing Police Forces

In each case the nominated Trustee being a member of the Nominating Body that nominates them, or a member of NARPO, and their nomination being approved by the existing Trustees.

- Up to two co-opted Trustees appointed for their skills and experience

The Board meets at least four times a year at which five members constitute a quorum. Any matters at Board or General Meetings shall be determined by the majority of the votes of the members present.

Trustees' Training

New trustees are issued with a comprehensive information pack and on appointment they attend an induction course given by the Fund Manager. The course provides information on the Fund's structure and operation as well as the legal responsibilities and duties of a trustee. Changes in legislation and Charity Commission Guidelines are circulated to all trustees and discussed at board meetings.

Remuneration policy

The group considers its key management personnel comprise the Trustees, Fund Manager and Fund Administrator. Trustees are not remunerated for their time but are reimbursed for reasonable expenses. There is also a Paying Employees Policy which is reviewed annually.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

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

The relief of children in need by reason of financial hardship or other social or economic disadvantage, including by supporting the advancement of their education and personal development, to enable them to contribute to society as mature and responsible individuals.

In this Article:

•'children' shall include young adults still in education and shall mean a child or adopted child of a relevant officer. The Trustees may consider applications relating to a stepchild of a relevant officer if they consider that the stepchild was substantially supported by the relevant officer, or children of a serving officer from one of the contributing Police Forces where it is the officer's spouse that is deceased, causing hardship.

•'relevant officer' shall mean a deceased officer or ex-officer, or an officer retired on medical grounds, who were serving with one of the contributing Police Forces at their death or retirement."

The Trustees carry out the Fund's objectives by issuing weekly allowances, educational and mental health support grants and awarding Christmas and birthday gift payments.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

It is an established fact that an allowance from the Fund is a matter of bounty and not of right. All benefits are paid according to financial need and at the sole discretion of the Trustees.

FINANCIAL REVIEW

Contributions are derived from police officers and staff who donate through their force payroll, public donations and legacies. Further revenue is raised from the investment dividends and interest on the investment account at the bank.

At 31 March 2024 a total of 211 beneficiaries were in receipt of a weekly allowance.

In addition, payments were awarded towards educational expenditure and mental health support.

The Annual Review took place in February 2024 and identified 41 beneficiaries where a financial need for assistance to continue could no longer be established. Weekly allowances were increased for 2 beneficiaries and reduced for 60.

Where allowances from the Fund cease because a financial need can no longer be established, links with the families are maintained until the children complete their education. At 31 March 2024 contact was being maintained with 165 beneficiaries who remained eligible for celebratory payments and mental health support grants upon application.

At 31 March 2024 there were 45 beneficiaries registered for higher education assistance.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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

Fund Raising Standards

The charity recognises the vital contribution made by its supporters, with voluntary donations accounting for approximately 57% of the charity's incoming resources. Without this support it would not be possible for the charity to continue to undertake its current level of activity to those families in need.

We believe that giving to charity should be a positive experience, and to help ensure that this is the case the charity has put in place a policy that seeks to ensure that the highest possible standards of fundraising practice are being adopted. All fundraising activity is monitored and administered by the Fund's Manager and Administrator. The charity is also registered with the Fundraising Regulator.

The charity welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activities.

RESERVES POLICY

The Fund supports its beneficiaries over long periods and in ensuring that sufficient reserves are held for the continuity of such support, the trustees are mindful of the need to make long term financial projections.

The Trustees regularly review the level of reserves to ensure they are appropriate, taking into account projections of:

- (a) the number of donors;
- (b) the number of beneficiaries;
- (c) the level of inflation;
- (d) income and capital growth yields available for the investment portfolio.

At the year end, the charity had total unrestricted funds of £6,748,098 (2023: £7,038,940). Free reserves, which are unrestricted funds less tangible fixed assets and designated funds, were £2,865,273 (2023: £3,170,284). The charity had total restricted funds of £342,276 (2023: £337,087) and designated funds at the year-end were £3,482,825 (2023: £3,468,656). Designated funds relate to the market value of investments at year end less aggregate unrealised gains on investments when the market value exceeded historic cost. At the year end, the charity had total funds of £7,090,374 (2023: £7,376,024).

INVESTMENT POLICY

The Trustees have identified the need to invest for a balance of growth and income in order to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Fund's Investment Manager: Charles Stanley & Co Limited.

INVESTMENT PERFORMANCE REVIEW

In our last annual report we highlighted various issues that had affected the global economy, and in many ways these still persist today, such as Ukraine, high interest rates and inflation. Although we had expected and hoped that some of these would be resolved by now, it was not to be the case; inflation and consequently interest rates have remained stubbornly high. There are signs that the situation is easing, but not before stresses and strains had appeared in government forecasts and private individuals' circumstances.

Alluded to above, inflation remains a concern, and perhaps in hindsight, market expectations of a steep fall in rates were naïve. In many ways it was simply a matter of timescale not direction. This was always a difficult situation to manage for central banks and many commentators derided the Bank of England for not lowering rates earlier, having already harangued it for not raising them sooner in the cycle. There are signs that the UK economy is emerging from its turbulent period and the new Chancellor of the Exchequer will be inheriting an improving economic outlook.

Moving on to performance over the last year it is comforting to report that this has matched all the benchmark indices and is higher by 6.33% over the period. One concern that had been highlighted more recently was portfolio performance versus an additional inflation benchmark, namely the Consumer Price Index (CPI). It is pleasing to state that whilst the CPI has increased by 4.19% there was a relative outperformance of 2.14% over the period. As inflation cools and interest rates fall, we would expect to see improved capital growth accordingly.

Annual income from the portfolio has improved over the last twelve months and at the year end stood at circa £167,173, rising further since to £172,480. Again, we would expect to see gradual improvement in this figure over time.

Another point worth mentioning is that after many years of avoiding the government bond market due to its poor returns and inflated prices, we decided to purchase an array of gilts to reduce risk in the portfolio whilst producing a guaranteed income in excess of 4%. It is the first time in twelve years that we have done so and provides a secure source of income with little risk of default.

Looking forward there are many uncertainties in 2024, as 40% of the world's populace vote in general elections. We have seen from our own recent election how fortunes can change quickly, and also how the US election has a dark shadow cast over it by the two nominees. From an investment perspective it is vitally important that whoever wins an election, they retain the confidence of their respective markets as otherwise chaos ensues and we would not wish to go through the turbulence seen during Liz Truss's premiership.

In summary, the last twelve months have been a period of readjustment as the world returns to more normal economic policy, although the unwinding of the last thirteen years of experimentation has caused issues that are yet to be completely dealt with. However, given that hopefully there are no more "black swan" events such as Covid or Ukraine on the horizon, then the waters do

FUTURE PLANS AND POST BALANCE SHEET EVENTS

Towards the end of 2023 renovation work commenced on the registered office at Bath Road in Worthing. The property has been a Fund asset for over 60 years and was in need of decoration and repair both internally and externally. The Fund's full-time employees are based here and it is often used for meetings with the Fund's officers as well as the accountants, investment managers and marketing & social media consultants. Just over £40,000 was spent on the renovation during 2023/24 and it is anticipated that £40k to £60k will be spent in 2024/25.

POLICE CHILDREN'S FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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

GENERAL

The Fund's board meets four times a year which provides opportunities for collective decision-making and for contributing creative ideas to ensure the charity thrives with the sole purpose of helping beneficiaries. With assistance from our advisers the meetings also provide an opportunity for trustees to ensure that changes in legislation and recommendations from the Charity Commission are implemented.

Officer donations were last increased, from 10p to 20p per week, on 1 January 1989. The matter is reviewed regularly. When the need for an increase is identified the Fund's stakeholders will be consulted fully before any change is made.

RISK REGISTER

As part of its on-going risk assessment management, the major risks to which the Fund is exposed are continually assessed and the findings reviewed by the Trustees. The Trustees are satisfied that appropriate measures are in place to mitigate the exposure to such risks.

THANKS

The Trustees gratefully acknowledge and record warmest thanks to the Fund's employees, professional advisers and those within the contributing police forces (including Chief Constables and Federation Representatives) for their assistance in ensuring the welfare of Fund beneficiaries is maintained in every respect possible.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources, including the income and expenditure, of the charitable company for that period. In preparing financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2006, the Charity (Accounts Reports) Regulations 2008 and the Memorandum & Articles of Association. 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.

POLICE CHILDREN'S FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2024**


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

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

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

This report, which included the directors' report and strategic report, was approved by the Board on [redacted] and signed on behalf of the Board by



**Tim Packham
Chairman**

8.8.24

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

POLICE CHILDREN'S FUND

FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the consolidated financial statements of Poice Children's Fund (the 'parent charitable company') and its subsidiaries (the 'group') and the individual parent company for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the balance sheets, the Consolidated 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 group's and parent charitable company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

POLICE CHILDREN'S FUND

FOR THE YEAR ENDED 31 MARCH 2024

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
POLICE CHILDREN'S FUND
FOR THE YEAR ENDED 31 MARCH 2024**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, and employment law. 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 Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. 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 posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Checking and reperforming the reconciliation of key accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Confirmation of investment valuation and income to third party documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

POLICE CHILDREN'S FUND

FOR THE YEAR ENDED 31 MARCH 2024

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the

- circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures

- made by the Trustees.

Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence

- obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the

- financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date 8 August 2024

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

POLICE CHILDREN'S FUND

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

| | Note | Unrestricted funds | | | 2024 | 2023 |
|--|------|--------------------|------------------|-----------------|------------------|--------------------|
| | | General £ | Designated £ | Restricted £ | Total £ | Total £ |
| Income | | | | | | |
| Donations and legacies | 3 | 237,628 | - | - | 237,628 | 236,974 |
| Income from investments | | 167,227 | - | 13,066 | 180,293 | 185,546 |
| Total Income | | 404,855 | - | 13,066 | 417,921 | 422,520 |
| Expenditure | | | | | | |
| Raising funds - investment manager costs | | 34,775 | - | 1,787 | 36,562 | 40,564 |
| Charitable activities | 4 | 944,645 | - | - | 944,645 | 1,048,942 |
| Total expenditure | | 979,420 | - | 1,787 | 981,207 | 1,089,506 |
| Net realised gains/(loss) on investments | | 259,966 | - | (3,007) | 256,959 | 271,646 |
| Net unrealised gains/(loss) on investments | | - | 14,169 | 6,508 | 20,677 | (835,411) |
| Net income/(expenditure) | | (314,599) | 14,169 | 14,780 | (285,650) | (1,230,752) |
| Transfers between funds | | 9,591 | - | (9,591) | - | - |
| Net movement in funds | | (305,008) | 14,169 | 5,189 | (285,650) | (1,230,752) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 3,570,281 | 3,468,656 | 337,087 | 7,376,024 | 8,606,776 |
| Total funds carried forward | | 3,265,273 | 3,482,825 | 342,276 | 7,090,374 | 7,376,024 |

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

POLICE CHILDREN'S FUND
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

Company number 08542702
Charity numbers 1156903 & 1156903-2

| | Notes | 2024 | | 2023 | |
|---|-------|-----------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments | 7 | | 6,593,749 | | 6,732,933 |
| | | | <u>6,993,749</u> | | <u>7,132,933</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 45,781 | | 36,569 | |
| Cash at bank and in hand | | 64,369 | | 28,844 | |
| Deposit accounts | | 13,111 | | 186,455 | |
| Stockbroker income account | | <u>13,361</u> | | <u>12,081</u> | |
| | | <u>136,622</u> | | <u>263,949</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(39,997)</u> | | <u>(20,858)</u> | |
| Net current assets | | | 96,625 | | 243,091 |
| Total assets less current liabilities | | | <u>7,090,374</u> | | <u>7,376,024</u> |
| Group funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 3,570,281 | | 3,951,684 | |
| Movement for the year | | (314,599) | | (392,115) | |
| Transfer between reserves | | <u>9,591</u> | | <u>10,712</u> | |
| Carried forward | | | 3,265,273 | | 3,570,281 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 3,468,656 | | 4,269,241 | |
| Movement for the year | | <u>14,169</u> | | <u>(800,585)</u> | |
| Carried forward | | | 3,482,825 | | 3,468,656 |
| Restricted funds the Gurney Benevolent Endowment | | | | | |
| Investment fund | | | | | |
| Brought forward | | 337,087 | | 385,851 | |
| Movement for the year | | 14,780 | | (38,052) | |
| Transfer between reserves | | <u>(9,591)</u> | | <u>(10,712)</u> | |
| Carried forward | | | 342,276 | | 337,087 |
| Total Group funds | | | <u>7,090,374</u> | | <u>7,376,024</u> |

The notes 1 to 18 form part of these accounts.


For the year ending 31 March 2024 the parent company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this parent company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

and signed on its behalf by

 8.8.24

Tim Packham
Chairman

POLICE CHILDREN'S FUND

**CHARITY BALANCE SHEET
AS AT 31 MARCH 2024**

**Company number 08542702
Charity number 1156903**

| | Notes | 2024 | | 2023 | |
|--|-------|------------------|-------------------------|------------------|-------------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments at market value | 7 | | 6,259,577 | | 6,429,822 |
| | | | <u>6,659,577</u> | | <u>6,829,822</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 45,275 | | 36,371 | |
| Cash at bank and in hand | | 64,373 | | 28,844 | |
| Deposit accounts | | 9,022 | | 154,841 | |
| Stockbroker income account | | <u>9,851</u> | | <u>9,920</u> | |
| | | <u>128,521</u> | | <u>229,976</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | | <u>(39,997)</u> | | <u>(20,858)</u> |
| Net current assets | | | 88,524 | | 209,118 |
| Total assets less current liabilities | | | <u>6,748,101</u> | | <u>7,038,940</u> |
| Charity funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 3,570,284 | | 3,951,687 | |
| Movement for the year | | <u>(305,008)</u> | | <u>(381,403)</u> | |
| Carried forward | | | 3,265,276 | | 3,570,284 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 3,468,656 | | 4,269,241 | |
| Movement for the year | | <u>14,169</u> | | <u>(800,585)</u> | |
| Carried forward | | | 3,482,825 | | 3,468,656 |
| Total Charity funds | | | <u>6,748,101</u> | | <u>7,038,940</u> |

The notes 1 to 18 form part of these accounts.

For the year ending 31 March 2024 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

and signed on its behalf by

 8.8.24

Tim Packham
Chairman

POLICE CHILDREN'S FUND

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024**

| | Note | 2024 £ | 2023 £ |
|--|-----------------------------|------------------|------------------|
| Net cash outflow from operating activities | 1 | (553,359) | (666,784) |
| Net cash inflow from investing activities | 2 | 416,820 | 787,495 |
| Net (decrease)/increase in cash balances held | 3 | (136,539) | 120,711 |
| Cash and cash equivalents consists of: | | | |
| | | 2024 £ | 2023 £ |
| Cash at bank and in hand | | 90,841 | 227,380 |
| Cash and cash equivalents at 31 March | | 90,841 | 227,380 |
| Note 1 - Reconciliation of changes in resources to net inflow from operating activities | | | |
| | | 2024 £ | 2023 £ |
| Net income/(expenditure) for the year before other recognised gains and losses | | (563,286) | (666,987) |
| Decrease/(increase) in debtors | | (9,212) | 2,491 |
| (Decrease)/increase in creditors | | 19,139 | (2,288) |
| Net cash outflow from operating activities | | (553,359) | (666,784) |
| Note 2 - Net investment proceeds/(purchases) | | | |
| | | 2024 £ | 2023 £ |
| Payments to acquire shares | | (850,663) | (337,191) |
| Receipts from sales of shares | | 1,267,483 | 1,124,686 |
| Net cash inflow from investing activities | | 416,820 | 787,495 |
| Note 3 - Net decrease in cash balances held | | | |
| | Movement in year | 2024 £ | 2023 £ |
| Deposit accounts | (173,344) | 13,111 | 186,455 |
| Stockbroker income account | 1,280 | 13,361 | 12,081 |
| Current account and cash | 35,525 | 64,369 | 28,844 |
| | (136,539) | 90,841 | 227,380 |

POLICE CHILDREN'S FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024

1 Principal accounting policies

Basis of preparation

Police Children's Fund is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The Trustees of Police Children's Fund, as appointed and elected in accordance with its rules and constitution, are automatically appointed as the Trustees of the Gurney Benevolent Fund in accordance with its governing document. As a result the Trustees of Police Children's Fund also control the Gurney Benevolent Fund and manage the two charities on a unified basis. Accordingly these financial statements consolidate the results of Police Children's Fund (the "charity") and the Gurney Benevolent Fund on a line by line basis. A separate statement of financial activities and income and expenditure account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. Throughout the financial statements "Group" is used when referring to the consolidated results of both Police Children's Fund and the Gurney Benevolent Fund. "Charity" is used when referring to Police Children's Fund only.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Reserves

The group funds support their beneficiaries over long periods of up to 20 years, and in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections. Contributing officers donate by a fixed weekly sum and until an increase in this sum is requested there is no correlation between income from this source and inflationary effects on allowances to beneficiaries.

Within the charity a designated fund has been set-up to isolate any unrealised gains or losses on investments until they are realised upon disposal.

The restricted fund consists of a permanent endowment arising from the sale of certain investments and the sale proceeds of the Southern Provincial Police School and Orphanage. It is the Trustees intention going forward to maintain the level of the Gurney Benevolent Fund investment portfolio invested in the gilts market to at least a balance equal to the permanent endowment fund.

Freehold property

Freehold property is stated at deemed cost less accumulated depreciation and accumulated impairment losses. The Freehold property is currently held at residual value, such that no further depreciation is charged.

Capital expenditure

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

Debtors

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

POLICE CHILDREN'S FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024

Cash at bank and in hand

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

Creditors and provisions

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

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Pension contributions

The fund contributes to a money purchase scheme on behalf of certain employees which are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of twelve months from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2024**

2 Expenditure

| | 2024 | 2023 |
|---------------------------------------|---------------|--------|
| | £ | £ |
| Expenditure is stated after charging: | | |
| Auditor's remuneration: | | |
| Audit of the financial statements | 10,300 | 9,700 |
| Accountancy and other services | 4,620 | 4,320 |
| | 14,920 | 14,020 |

3 Donations and legacies

| | | 2024 | 2023 |
|---------------------------------------|-----------|----------------|---------|
| | | £ | £ |
| Forces contributions | | 230,892 | 212,758 |
| Forces donations and collecting boxes | 15 | 3,861 | 2,012 |
| Private donations | 16 | 2,875 | 7,885 |
| Legacies | 18 | - | 14,319 |
| | | 237,628 | 236,974 |

4 Expenditure on charitable activities

| | | 2024 | 2023 |
|-------------------------------------|----------|----------------|-----------|
| | | £ | £ |
| Allowances and grants to children | | 623,206 | 804,321 |
| Christmas and birthday gifts | | 69,845 | 66,118 |
| Administration costs detailed below | | 125,933 | 60,483 |
| Wages and salaries allocation | 5 | 78,744 | 85,151 |
| Trustees' expenses | | 12,698 | 13,788 |
| Audit of the financial statements | | 10,300 | 9,700 |
| Accountancy and other services | | 4,620 | 4,320 |
| Legal and professional fees | | 19,299 | 5,061 |
| | | 944,645 | 1,048,942 |
| <u>Administration costs:</u> | | | |
| Telephone and postage | | 1,755 | 1,995 |
| Printing and stationery | | 1,893 | 5,239 |
| Marketing | | 43,674 | 25,880 |
| Sundries | | 462 | 261 |
| Rates and insurance | | 4,967 | 4,173 |
| Lighting, heating and cleaning | | 4,552 | 3,075 |
| Repairs, renewals and garden upkeep | | 65,881 | 19,303 |
| Staff travel and training | | 2,749 | 557 |
| | | 125,933 | 60,483 |

Included in charitable activity costs above are governance costs totalling £46,917 (2023: £32,869). These costs include audit and accountancy, legal fees, and trustee meeting expenditure.

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2024**

5 Staff costs

| Group and charity | 2024 £ | <i>2023</i> £ |
|--|----------------------|----------------------|
| Gross salaries | 68,905 | <i>73,541</i> |
| Employers national insurance contributions | 1,897 | <i>2,591</i> |
| Pension scheme contributions | 7,942 | <i>9,019</i> |
| | <u>78,744</u> | <i><u>85,151</u></i> |

There were no related party transactions in the year except for the reimbursement of trustees' expenses. No remuneration was paid to Trustees in the year but expenses amounting to £2,953 (2023: £3,151) were reimbursed. These expenses related to reimbursed travel expenses and were paid to 10 trustees (2023: 8).

The average number of staff employed during the year was 2 (2023: 2).

Two staff members are entitled to pension contributions relating to a defined contribution pension scheme, there was £748 (2023: £661) of outstanding contributions at the year end (included within creditors). No employee receives employment benefits in excess of £60,000 p.a.

The group considers its key management personnel comprise the trustees, the fund manager and fund administrator. The total employment benefits including employer pension contributions of the key management personnel were £78,744 (2023: £85,151).

6 Freehold property

| Group and charity | 2024 £ | <i>2023</i> £ |
|---|-----------------------|-----------------------|
| Cost at 1 April 2023 | 400,000 | <i>400,000</i> |
| Cost at 31 March 2024 | <u>400,000</u> | <i><u>400,000</u></i> |
| Historical cost (pre transfer on incorporation) | <u>6,451</u> | <i><u>6,451</u></i> |

The freehold property included above was recognised using a previous basis (valuation basis) valuation as a deemed cost on transition to SORP (FRS 102). The asset is being depreciated from the valuation date of 1 April 2015 and having a net book value of £400,000 (2023: £400,000). This is considered to be the residual value.

7 Investments: listed

| Group | Total £ | Government | Equity Holdings £ |
|-----------------------------|-------------------------|-------------------|-----------------------------|
| | | Bonds £ | |
| Valuation at 1 April 2023 | 6,732,933 | 226,483 | 6,506,450 |
| Acquisitions | 850,663 | 152,139 | 698,524 |
| Disposals | (1,010,524) | - | (1,010,524) |
| Changes in unrealised gains | 20,677 | (1,947) | 22,624 |
| Valuation at 31 March 2024 | <u>6,593,749</u> | <u>376,675</u> | <u>6,217,074</u> |
| | | Government | |
| | | Bonds | Equity Holdings |
| | | £ | £ |
| Valuation at 1 April 2023 | 6,429,822 | 197,603 | 6,232,219 |
| Acquisitions | 744,661 | 120,401 | 624,260 |
| Disposals | (929,074) | - | (929,074) |
| Changes in unrealised gains | 14,168 | (2,130) | 16,298 |
| Valuation at 31 March 2024 | <u>6,259,577</u> | <u>315,874</u> | <u>5,943,703</u> |

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2024**

| 8 Debtors | Group 2024 £ | <i>Group 2023 £</i> | Charity 2024 £ | <i>Charity 2023 £</i> |
|---------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Deferred expenses | 8,351 | <i>1,713</i> | 8,351 | <i>1,713</i> |
| Contributions from forces | 34,683 | <i>33,303</i> | 34,683 | <i>33,303</i> |
| Accrued investment income | 2,747 | <i>1,553</i> | 2,241 | <i>1,355</i> |
| | <u>45,781</u> | <i><u>36,569</u></i> | <u>45,275</u> | <i><u>36,371</u></i> |

| 9 Creditors | 2024 £ | <i>2023 £</i> |
|------------------------------|----------------------|----------------------|
| Group and charity | | |
| PAYE and NI | 1,687 | <i>1,447</i> |
| Other creditors and accruals | 38,310 | <i>19,411</i> |
| | <u>39,997</u> | <i><u>20,858</u></i> |

| 10 Designated funds | 2024 £ | <i>2023 £</i> |
|--|-------------------------|-------------------------|
| Charity | | |
| Market value of investments at 31 March 2024 | 6,259,577 | <i>6,429,822</i> |
| Historical cost of investments | (2,776,752) | <i>(2,961,166)</i> |
| | <u>3,482,825</u> | <i><u>3,468,656</u></i> |

The Trustees believe it would not be prudent to consider unrealised gains on investments as being expendable as the gains or losses may differ materially from those which are subsequently realised.

When the market value of investments exceeds their historic cost the aggregate unrealised gain is credited to the designated fund. Where the market value of investments is less than their historic cost the aggregate unrealised loss remains within the general fund.

11 Income and expenditure - prior period

| | Unrestricted General funds £ | Unrestricted Designated funds £ | Restricted funds £ | 2023 Total funds £ |
|--------------------------------------|---|--|-----------------------------------|---------------------------------------|
| Income | | | | |
| Donations and legacies | 236,974 | - | - | 236,974 |
| Income from investments | 174,891 | - | 10,655 | 185,546 |
| Total income | <u>411,865</u> | <u>-</u> | <u>10,655</u> | <u>422,520</u> |
| Expenditure | | | | |
| Expenditure on raising funds | 38,621 | - | 1,944 | 40,565 |
| Expenditure on charitable activities | 1,048,942 | - | - | 1,048,942 |
| Total expenditure | <u>1,087,563</u> | <u>-</u> | <u>1,944</u> | <u>1,089,507</u> |

POLICE CHILDREN'S FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2024**

12 Analysis of group net assets by type of fund

| | Fixed Asset £ | Investments £ | Current Assets £ | Creditors £ | Total £ |
|--------------------------|---------------------|------------------|------------------------|-----------------|------------------|
| Unrestricted funds | 400,000 | 6,259,574 | 128,521 | (39,997) | 6,748,098 |
| Restricted fund - Gurney | - | 334,175 | 8,101 | - | 342,276 |
| Benevolent Fund | | | | | |
| | 400,000 | 6,593,749 | 136,622 | (39,997) | 7,090,374 |

13 Charity results

| | 2024 £ | 2023 £ |
|--|------------------|-------------|
| Income | 404,855 | 411,865 |
| Expenditure on raising funds | (34,775) | (38,621) |
| Expenditure on charitable activities | (944,645) | (1,048,942) |
| Realised gains on investments | 259,966 | 283,583 |
| Unrealised gains / (losses) on investments | 14,169 | (800,585) |
| Transfer from Gurney Benevolent Fund | 9,591 | 10,712 |
| Net income/(expenditure) | (290,839) | (1,181,988) |

14 Gurney Benevolent Fund results

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

| | 2024 £ | 2023 £ |
|--|----------------|-----------|
| The income and expenses were: | | |
| Income from investments | 13,066 | 10,655 |
| Expenditure on raising funds | (1,787) | (1,944) |
| Net realised (losses) on investments | (3,007) | (11,937) |
| Net unrealised gains / (losses) on investments | 6,508 | (34,826) |
| Transfer to general unrestricted fund | (9,591) | (10,712) |
| Net income/(expenditure) for the year | 5,189 | (48,764) |

The assets and liabilities were:

| | | |
|-------------------------|----------------|---------|
| Fixed asset investments | 334,175 | 303,114 |
| Current assets | 8,101 | 33,973 |
| Total net assets | 342,276 | 337,087 |
| Represented by: | | |
| Restricted funds | 342,276 | 337,087 |
| Total funds | 342,276 | 337,087 |

POLICE CHILDREN'S FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024

15 Forces donations and collecting boxes

| | | 2024 £ | 2023 £ |
|-----------------------|----------------------------------|--------------|--------------|
| Portsmouth & SE Hants | NARPO Book Sale | 310 | - |
| Surrey | Police Federation Awards Evening | 1,966 | - |
| Beds, Cambs & Herts | Armed Police Unit | - | 1,050 |
| Hampshire | Police Federation Charity Dinner | 1,500 | - |
| Hampshire | Hampshire Constabulary | - | 662 |
| Leicestershire | Leicestershire Police | - | 300 |
| Warwickshire | Collection boxes | 85 | - |
| | | <u>3,861</u> | <u>2,012</u> |

16 Private donations

| | | 2024 £ | 2023 £ |
|----------------------------|--|--------------|--------------|
| Anonymous | | 360 | 360 |
| Broadfoot Antiques | | - | 300 |
| Doubleday Charitable Trust | | - | 800 |
| E Brown | | - | 1,825 |
| Giftaid | | - | 561 |
| In memory of D Golding | | - | 150 |
| In memory of J Dicker | | - | 25 |
| Just Giving | | 1,920 | 2,663 |
| In memory of C Bennett | | 25 | - |
| Mr K Gromett | | 60 | 60 |
| In memory of S Murden | | 100 | - |
| Mr M Helyar | | 120 | 120 |
| Mr Simon Stabb | | - | 500 |
| Mrs Susan Craggs | | 200 | 180 |
| Much Loved | | 90 | 341 |
| | | <u>2,875</u> | <u>7,885</u> |

17 Financial commitments

At 31 March 2024 the Charity had total financial commitments under non-cancellable contracts of £14,026 (2023: £nil).

18 Legacy income

Legacy income 2024: £nil (2023: £14,319).

19 Related party transactions

The total amount of donations received from trustees without conditions 2024: £60, (2023: £nil).

20 Ultimate controlling party

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

Police Children's Fund

England & Wales - Charity number 1156903

Accounts

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

THE GURNEY FUND

TRUSTEES' REPORT AND AUDITED GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE GURNEY FUND

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THE GURNEY FUND

LEGAL AND ADMINISTRATIVE DETAILS

The Gurney Fund is administered by:

| | |
|--|---|
| Chairman | T Packham |
| Treasurer | T Arthur Appointed Trustee May 2022 Appointed Treasurer August 2022 |
| Managing Trustees and Directors | M Brunning J Carter-Lang H Darby R Nolan J Gilmer L Hutson W Rumford I Simmons G Smith M Tyler M Warnes Appointed August 2022 Appointed February 2023 Resigned November 2022 Appointed May 2022 Appointed May 2022 |
| Fund Manager | S Keywood |
| Company number | 08542702 |
| Charity numbers | 1156903 & 1156903-2 |
| Registered Office | 9 Bath Road Worthing West Sussex BN11 3NU Tel: 01903 237256 Web Site: www.gurneyfund.org |
| Bankers | Lloyds Bank Plc 41-43 South Street Worthing West Sussex BN11 3AU |
| Chartered Accountants and Statutory Auditor | Kreston Reeves LLP 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ |
| Investment Managers | Charles Stanley & Company Limited Windsor House 6 - 10 Mount Ephraim House Tunbridge Wells Kent TN1 1EE |
| Solicitor | H3 Solicitors Limited Suite 1, Brightams Farm Partridge Green Horsham West Sussex RH13 8EQ |

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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

Firstly, I would like to recognise and pay tribute to Her Majesty Queen Elizabeth II. The late Queen passed away in September of last year and I was honoured and greatly privileged to attend and represent The Gurney Fund at her state funeral. The late Queen was our patron, and we are awaiting news of who our new patron will be. We were pleased to have the opportunity of marking the Queen's Platinum Jubilee by making celebratory payments to all beneficiaries.

We now find ourselves in a different economic place from where we were last year. Having emerged from a global pandemic we have discovered a new norm with phrases such as 'working from home' and 'hybrid working'.

The need for the country to repay its debt for the bailouts from government during that time has led to higher taxation, coupled with the energy crisis caused by the war in Ukraine, which in turn has led to higher food and energy costs. Additionally, we have seen a number of frequent increases in mortgage rates, something we have not seen for a number of years. This has placed enormous pressures on many families.

I am pleased to report that from January 2023 we have introduced birthday payments to all beneficiaries.

We are currently working on amendments to our Articles of Association and I am delighted to add that since my last report all of our Board meetings are now held in person.

I would like to place on record my gratitude to Chris McNicol who retired in July 2022. Chris served as the Fund Manager for many years and her wealth of experience will be missed. I am pleased to advise that Sherral Keywood has stepped up as Fund Manager. I would also like to give thanks to former trustee Lucy Hutson.

A warm welcome is extended to a number of new trustees Helen Darby (Kent), Rachel Nolan (Essex), Bill Rumford (Bedfordshire) and Garry Smith (Hampshire) and I am pleased to update that Tom Arthur has stepped up to the role of Treasurer. I am grateful for the continued support and the commitment of all the Trustees.

The following covers the Fund's financial year 1 April 2022 to 31 March 2023.

The Trustees present their report and the audited financial statements of the Charity for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and the financial statements of the Charity.

ESTABLISHMENT OF THE FUND

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

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its' governing document; the Articles of Association adopted 22 May 2013 (last amended 12 November 2015) and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

Appointment of Trustees

In accordance with the Articles of Association, the Board of trustees when complete should consist of not more than twelve individuals, such appointments being nominated as:-

- Two ex-officio officers (Chair and Treasurer) elected by the Board of trustees
- Two members from the National Police Chief's Council (NPCC) appointed by the Chief Police Officer's Staff Association (CPOSA)
- Two persons holding the Superintending rank, appointed from among the subscribing police forces by the Superintendents' Association
- Six people nominated from among the subscribing forces by the Police Federation of England & Wales; two of each from the rank of Inspector, Sergeant and Constable

The Board meets at least four times a year at which five members constitute a quorum. Any matters at Board or General Meetings shall be determined by the majority of the votes of the members present.

Trustees' Training

New trustees are issued with a comprehensive information pack and on appointment they attend an induction course given by the Fund Manager. The course provides information on the Fund's structure and operation as well as the legal responsibilities and duties of a trustee. Changes in legislation and Charity Commission Guidelines are circulated to all trustees and discussed at board meetings.

Remuneration policy

The group considers its key management personnel comprise the Trustees, Fund Manager and Fund Administrator. Trustees are not remunerated for their time but are reimbursed expenses. There is also a Paying Employees Policy which is reviewed annually.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

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

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

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

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

The trustees carry out the Fund's objectives by issuing weekly allowances, educational and counselling grants and awarding Christmas and birthday gift payments.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

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

It is an established fact that an allowance from the Fund is a matter of bounty and not of right. All benefits are paid according to "need" and at the sole discretion of the Trustees.

FINANCIAL REVIEW

Contributions are derived from police officers who donate through their force payroll, public donations and legacies. Further revenue is raised from the investment dividends and interest on the investment account at the bank.

At 31 March 2023 a total of 228 beneficiaries were in receipt of a weekly allowance or grant of which 45 were new beneficiaries registered from 1 April 2022.

In addition to weekly allowances/grants, payments were awarded towards educational expenditure and counselling. Jubilee payments were also made to all beneficiaries in recognition of our patron, the late Queen.

The Annual Review took place in February 2023 and identified 26 beneficiaries where a financial need for assistance to continue could no longer be established. Weekly allowances/grants were increased for 35 beneficiaries and reduced for 11.

Where allowances from the Fund cease because a financial need can no longer be established, links with the families are maintained until the children complete their education. At 31 March 2023 contact was being maintained with 137 children who remained eligible for counselling grants as well as celebratory payments.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Company number 08542702
Charity numbers 1156903 & 1156903-2

Fund Raising Standards

The charity recognises the vital contribution made by its supporters, with voluntary donations accounting for approximately 56% of the charity's incoming resources. Without this support it would not be possible for the charity to continue to undertake its current level of activity, which would have a devastating impact on the vulnerable people that we seek to care for.

We believe that giving to charity should be a positive experience, and to help ensure that this is the case the charity has put in place a policy that seeks to ensure that the highest possible standards of fundraising practice are being adopted. This policy acknowledges the damaging impact an excessively aggressive approach to fundraising can have on vulnerable people, whether from unreasonably persistent approaches being made or undue pressure to give being applied, and great care is undertaken to ensure that such practices are not adopted by the charity. All fundraising activity is monitored and administered by the Fund's Manager and Administrator. The charity does not utilise the services of any external commercial fundraisers and the Trustees do not consider it necessary to subscribe to a Fundraising Regulator.

The charity welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activities.

RESERVES POLICY

The Fund supports its beneficiaries over long periods, over 20 years for some and, in ensuring that sufficient reserves are held for the continuity of such support, the trustees are mindful of the need to make long term financial projections.

The trustees regularly review the level of reserves to ensure they are appropriate, taking into account projections of:

- (a) the number of donating officers;
- (b) the number of beneficiaries;
- (c) the level of inflation;
- (d) income and capital growth yields available for the investment portfolio.

At the year end, the charity had total unrestricted funds of £7,038,940 (2022: £8,220,928). Free reserves, which are unrestricted funds less tangible fixed assets and designated funds, were £3,170,284 (2022: £3,551,687). The charity had total restricted funds of £337,087 (2022: £385,851) and designated funds at the year end were £3,468,656 (2022: 4,269,241). Designated funds relate to the market value of investments at year end less aggregate unrealised gains on investments when the market value exceed historic cost. At the year end, the charity had total funds of £7,376,024 (2022: 8,606,776).

INVESTMENT POLICY

The Trustees have identified the need to invest for a balance of growth and income in order to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Fund's Investment Manager: Charles Stanley & Co Limited.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

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

INVESTMENT PERFORMANCE REVIEW

Over the course of the last year there have been many factors that have affected stockmarkets such as inflation worries, interest rates, the energy crisis and of course the ongoing conflict in Ukraine. All of these weighed heavily on markets at different times throughout the year. Many of these concerns will linger and act as a drag on equity indices in 2023, although we do anticipate an easing of conditions towards the end of the year and certainly into Q1 2024.

Despite Ukraine and Mr Putin grabbing many headlines, inflation was the main factor concerning investors over the last year. The normal weapon used to curtail inflation is interest rate rises and indeed, these were used to peg back inflation as it rose to 10% in most countries, being a 40 year high. We are beginning to see the effects of these rate rises, but it is incumbent on all central banks not to overshoot and therefore stifle any nascent economic recovery. With the Federal Reserve (FED) and the Bank of England having ceased QE in 2021, it returned to more normal economic policy, unlike the European ECB which continues to print money and raise rates – this has been compared to flooring the accelerator and keeping your foot on the brake. It does not quite seem to make sense.

Performance over the last year has been reasonable and is in line with most of the agreed benchmarks on a total return basis (income and capital movements combined). A similar picture can be seen over both three and five year periods too, and it is worth noting that these returns have been achieved by taking a lower risk than investing in pure direct equity investments. The portfolio comprises of a wide and diverse selection of holdings covering many different geographies and asset types.

The portfolio income has remained at a similar level to last year being £166,123 versus £167,243 (31.03.22) and we would expect this to be maintained over the coming year. It is true to say that companies have been raising dividends, but this process has stalled slightly, simply due to the increased costs of doing business as profit margins have been reduced.

More recently, the collapse of two banks in the US (Silicon Valley Bank and Silvergate) as well as Credit Suisse, resulted in market concerns about contagion in the banking sector. This derailed the recovery in markets in the period just after Christmas and saw a return of investors' fears of more interest rate rises. Although there were more increases, the concerns over the security of the banking sector saw central banks raise rates in smaller increments in order to assuage those concerns. Due to inflation remaining stubbornly high, the reality is that interest rates will remain higher for longer.

During 2022, equity markets fell in lockstep with fixed interest markets. This was the first time since 1969 that this had happened. It was the result of ultra-low interest rates forcing bond prices up and easy money for companies as they were able to borrow at atypically low rates of interest thus forcing their share prices up too. Of course, this all reversed when inflation rose its head, and the complete reverse happened.

Looking forward there are reasons for equity investors to remain hopeful that the latter half of 2023 and 2024 will be better than the last eighteen months as the effects of the pandemic, and hopefully Ukraine recede. It is also likely that inflation will also be lower than current levels easing pressure on central banks. Supply chain issues have mostly been resolved although many countries are looking to exclude China from its supply and manufacturing processes, and this will take time to achieve fully, but we have seen a return to some form of normality over the last few months. It is fair to say that investors should not expect stellar returns from investments in the coming months and that a period of consolidation and reduced volatility would be welcome.

FUTURE PLANS AND POST BALANCE SHEET EVENTS

In 2022 the trustees took the decision to make some changes to its' Articles of Association, including the Objects. At the same time, a complete re-brand was approved. These changes are still in the discussion phase. The charity's values and missions will remain the same and the foresight of Catherine Gurney and the work she did for the police community will always be at the heart of what we do. We want to help as many eligible police families as possible but we also need more officers from our contributing forces to sign up and donate. We hope that by re-branding and adapting our Objects we will be able to achieve all of these things and continue to help many more officers and their children.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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

GENERAL – THE GURNEY FUND

The Fund's Board meets four times a year to review applications and ensure that the needs of existing Fund families are met. With assistance from our advisers the meetings also provide an opportunity for trustees to ensure that changes in legislation and recommendations from the Charity Commission are implemented.

Following a review of the activity holidays which had been provided annually by the Fund to small groups of 11-18 year olds, the trustees agreed the time was right to change direction. Beneficiaries across all three registers now receive counselling assistance as well as birthday and Christmas payments. Those in receipt of weekly assistance may also apply for help towards school holiday activities which are deemed to have an educational, developmental or wellbeing benefit to the child/young person.

Officer donations were last increased, from 10p to 20p per week, on 1 January 1989. The matter is reviewed regularly. When the need for an increase is identified the Fund's stakeholders will be consulted fully before any change is made.

RISK REGISTER

As part of its on-going risk assessment management, the major risks to which the Fund is exposed are continually assessed and the findings reviewed by the Trustees. The Trustees are satisfied that appropriate measures are in place to mitigate the exposure to such risks.

THANKS

The Trustees gratefully acknowledge and record warmest thanks to the Fund's employees, professional advisers and those within the contributing police forces (including Chief Constables and Federation Representatives) for their assistance in ensuring the welfare of Fund beneficiaries is maintained in every respect possible.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources, including the income and expenditure, of the charitable company for that period. In preparing financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2006, the Charity (Accounts Reports) Regulations 2008 and the Memorandum & Articles of Association. 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.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

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

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

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

This report, which included the directors' report and strategic report, was approved by the Board on 3 August 2023 and signed on behalf of the Board by



**Tim Packham
Chairman**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

THE GURNEY FUND

FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the consolidated financial statements of The Gurney Fund (the 'parent charitable company') and its subsidiaries (the 'group') and the individual parent company for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the balance sheets, the Consolidated 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 group's and parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year 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 Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

THE GURNEY FUND

FOR THE YEAR ENDED 31 MARCH 2023

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

THE GURNEY FUND

FOR THE YEAR ENDED 31 MARCH 2023

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, and employment law. 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 Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. 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 posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Checking and reperforming the reconciliation of key accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Confirmation of investment valuation and income to third party documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

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 Auditors' Report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
THE GURNEY FUND
FOR THE YEAR ENDED 31 MARCH 2023**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date 7 August 2023

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

THE GURNEY FUND

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

| | Note | Unrestricted funds | | | 2023 | 2022 |
|--|------|--------------------|------------------|-----------------|--------------------|------------------|
| | | General £ | Designated £ | Restricted | Total £ | Total £ |
| Income | | | | | | |
| Donations and legacies | 3 | 236,974 | - | - | 236,974 | 234,696 |
| Income from investments | | 174,891 | - | 10,655 | 185,546 | 176,152 |
| Total Income | | 411,865 | - | 10,655 | 422,520 | 410,848 |
| Expenditure | | | | | | |
| Raising funds - investment manager costs | | 38,621 | - | 1,944 | 40,565 | 46,583 |
| Charitable activities | 4 | 1,048,942 | - | - | 1,048,942 | 870,468 |
| Total expenditure | | 1,087,563 | - | 1,944 | 1,089,507 | 917,051 |
| Net realised gains/(loss) on investments | | 283,583 | - | (11,937) | 271,646 | 239,085 |
| Net unrealised gains/(loss) on investments | | - | (800,585) | (34,826) | (835,411) | 154,479 |
| Net (expenditure) | | (392,115) | (800,585) | (38,052) | (1,230,752) | (112,640) |
| Transfers between funds | | 10,712 | - | (10,712) | - | - |
| Net movement in funds | | (381,403) | (800,585) | (48,764) | (1,230,752) | (112,640) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 3,951,684 | 4,269,241 | 385,851 | 8,606,776 | 8,719,416 |
| Total funds carried forward | | 3,570,281 | 3,468,656 | 337,087 | 7,376,024 | 8,606,776 |

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

THE GURNEY FUND
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

Company number 08542702
Charity numbers 1156903 & 1156903-2

| | Notes | 2023 | | 2022 | |
|---|-------|-----------------|------------------|-----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments | 7 | | 6,732,933 | | 8,084,193 |
| | | | <u>7,132,933</u> | | <u>8,484,193</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 36,569 | | 39,060 | |
| Cash at bank and in hand | | 28,844 | | 29,414 | |
| Deposit accounts | | 186,455 | | 64,524 | |
| Stockbroker income account | | 12,081 | | 12,731 | |
| | | <u>263,949</u> | | <u>145,729</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(20,858)</u> | | <u>(23,146)</u> | |
| Net current assets | | | 243,091 | | 122,583 |
| Total assets less current liabilities | | | <u>7,376,024</u> | | <u>8,606,776</u> |
| Group funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 3,951,684 | | 4,216,385 | |
| Movement for the year | | (392,115) | | (274,968) | |
| Transfer between reserves | | 10,712 | | 10,267 | |
| Carried forward | | | 3,570,281 | | 3,951,684 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 4,269,241 | | 4,110,708 | |
| Movement for the year | | (800,585) | | 158,533 | |
| Carried forward | | | 3,468,656 | | 4,269,241 |
| Restricted funds the Gurney Benevolent Endowment | | | | | |
| Investment fund | | | | | |
| Brought forward | | 385,851 | | 392,323 | |
| Movement for the year | | (38,052) | | 3,795 | |
| Transfer between reserves | | (10,712) | | (10,267) | |
| Carried forward | | | 337,087 | | 385,851 |
| Total Group funds | | | <u>7,376,024</u> | | <u>8,606,776</u> |

The notes 1 to 18 form part of these accounts.

For the year ending 31 March 2023 the parent company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this parent company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the trustees and authorised for issue on 3 August 2023 and signed on its behalf by



Tim Packham
Chairman

THE GURNEY FUND

**CHARITY BALANCE SHEET
AS AT 31 MARCH 2023**

**Company number 08542702
Charity number 1156903**

| | Notes | 2023 | | 2022 | |
|--|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments at market value | 7 | | 6,429,822 | | 7,705,559 |
| | | | <u>6,829,822</u> | | <u>8,105,559</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 36,371 | | 39,060 | |
| Cash at bank and in hand | | 28,844 | | 29,414 | |
| Deposit accounts | | 154,841 | | 59,526 | |
| Stockbroker income account | | 9,920 | | 10,515 | |
| | | <u>229,976</u> | | <u>138,515</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(20,858)</u> | | <u>(23,146)</u> | |
| Net current assets | | | 209,118 | | 115,369 |
| Total assets less current liabilities | | | <u>7,038,940</u> | | <u>8,220,928</u> |
| Charity funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 3,951,687 | | 4,216,388 | |
| Movement for the year | | <u>(381,403)</u> | | <u>(264,701)</u> | |
| Carried forward | | | 3,570,284 | | 3,951,687 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 4,269,241 | | 4,110,708 | |
| Movement for the year | | <u>(800,585)</u> | | <u>158,533</u> | |
| Carried forward | | | 3,468,656 | | 4,269,241 |
| Total Charity funds | | | <u>7,038,940</u> | | <u>8,220,928</u> |

The notes 1 to 18 form part of these accounts.

For the year ending 31 March 2023 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the trustees and authorised for issue on 3 August 2023 and signed on its behalf by



**Tim Packham
Chairman**

THE GURNEY FUND

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

| | Note | 2023 £ | 2022 £ |
|--|--------------------------|------------------|------------------|
| Net cash outflow from operating activities | 1 | (666,784) | (502,899) |
| Net cash inflow from investing activities | 2 | 787,495 | 443,287 |
| Net (decrease)/increase in cash balances held | 3 | 120,711 | (59,612) |
| Cash and cash equivalents consists of: | | | |
| | | 2023 £ | 2022 £ |
| Cash at bank and in hand | | 227,380 | 106,669 |
| Cash and cash equivalents at 31 March | | 227,380 | 106,669 |
| Note 1 - Reconciliation of changes in resources to net inflow from operating activities | | | |
| | | 2023 £ | 2022 £ |
| Net income/(expenditure) for the year before other recognised gains and losses | | (666,987) | (506,204) |
| Decrease/(increase) in debtors | | 2,491 | 733 |
| (Decrease)/increase in creditors | | (2,288) | 2,572 |
| Net cash outflow from operating activities | | (666,784) | (502,899) |
| Note 2 - Net investment proceeds/(purchases) | | | |
| | | 2023 £ | 2022 £ |
| Payments to acquire shares | | (337,191) | (70,251) |
| Receipts from sales of shares | | 1,124,686 | 513,538 |
| Net cash inflow from investing activities | | 787,495 | 443,287 |
| Note 3 - Net decrease in cash balances held | | | |
| | Movement in year £ | 2023 £ | 2022 £ |
| Deposit accounts | 121,931 | 186,455 | 64,524 |
| Stockbroker income account | (650) | 12,081 | 12,731 |
| Current account and cash | (570) | 28,844 | 29,414 |
| | 120,711 | 227,380 | 106,669 |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2023

1 Principal accounting policies

Basis of preparation

The Gurney Fund Limited is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The Trustees of The Gurney Fund, as appointed and elected in accordance with its rules and constitution, are automatically appointed as the Trustees of the Gurney Benevolent Fund in accordance with its governing document. As a result the Trustees of The Gurney Fund also control the Gurney Benevolent Fund and manage the two charities on a unified basis. Accordingly these financial statements consolidate the results of The Gurney Fund (the "charity") and the Gurney Benevolent Fund on a line by line basis. A separate statement of financial activities and income and expenditure account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. Throughout the financial statements "Group" is used when referring to the consolidated results of both The Gurney Fund and the Gurney Benevolent Fund. "Charity" is used when referring to The Gurney Fund only.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Reserves

The group funds support their beneficiaries over long periods of up to 20 years, and in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections. Subscribing officers contribute by a fixed weekly sum and until an increase in this sum is requested there is no correlation between income from this source and inflationary effects on allowances to beneficiaries.

Within the charity a designated fund has been set-up to isolate any unrealised gains or losses on investments until they are realised upon disposal.

The restricted fund consists of a permanent endowment arising from the sale of certain investments and the sale proceeds of the Southern Provincial Police School and Orphanage. It is the Trustees intention going forward to maintain the level of the Gurney Benevolent Fund investment portfolio invested in the gilts market to at least a balance equal to the permanent endowment fund.

Freehold property

Freehold property is stated at deemed cost less accumulated depreciation and accumulated impairment losses. The Freehold property is currently held at residual value, such that no further depreciation is charged.

Capital expenditure

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

Debtors

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

Cash at bank and in hand

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

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2023

Creditors and provisions

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

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Pension contributions

The fund contributes to a money purchase scheme on behalf of certain employees which are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of twelve months from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

THE GURNEY FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2023**

2 Expenditure

| | 2023 | 2022 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Expenditure is stated after charging: | | |
| Auditor's remuneration: | | |
| Audit of the financial statements | 9,700 | 8,750 |
| Accountancy and other services | 4,320 | 2,390 |
| | <u>14,020</u> | <u>11,140</u> |

3 Donations and legacies

| | | 2023 | 2022 |
|---------------------------------------|----|----------------|----------------|
| | | £ | £ |
| Forces subscriptions | | 212,758 | 223,105 |
| Forces donations and collecting boxes | 15 | 2,012 | 744 |
| Private donations | 16 | 7,885 | 5,847 |
| Legacies | 17 | 14,319 | 5,000 |
| | | <u>236,974</u> | <u>234,696</u> |

4 Expenditure on charitable activities

| | | 2023 | 2022 |
|-------------------------------------|---|------------------|----------------|
| | | £ | £ |
| Allowances and grants to children | | 804,321 | 688,297 |
| Christmas and birthday gifts | | 66,118 | 41,500 |
| Administration costs detailed below | | 60,483 | 36,175 |
| Wages and salaries allocation | 5 | 85,151 | 85,215 |
| Trustees' expenses | | 13,788 | 6,692 |
| Audit of the financial statements | | 9,700 | 8,750 |
| Accountancy and other services | | 4,320 | 2,390 |
| Legal and professional fees | | 5,061 | 1,449 |
| | | <u>1,048,942</u> | <u>870,468</u> |
| <u>Administration costs:</u> | | | |
| Telephone and postage | | 1,995 | 3,794 |
| Printing, stationery and marketing | | 31,119 | 19,498 |
| Sundries | | 261 | 377 |
| Rates and insurance | | 4,173 | 3,757 |
| Lighting, heating and cleaning | | 3,075 | 2,689 |
| Repairs, renewals and garden upkeep | | 19,303 | 5,893 |
| Staff travel and training | | 557 | 167 |
| | | <u>60,483</u> | <u>36,175</u> |

Included in charitable activity costs above are governance costs totalling £32,869 (2022: £19,281). These costs include audit and accountancy, legal fees, and trustee meeting expenditure.

THE GURNEY FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2023**

5 Staff costs

| Group and charity | 2023 | <i>2022</i> |
|--|---------------|---------------|
| | £ | £ |
| Gross salaries | 73,541 | <i>73,549</i> |
| Employers national insurance contributions | 2,591 | <i>2,997</i> |
| Pension scheme contributions | 9,019 | <i>8,669</i> |
| | 85,151 | <i>85,215</i> |

There were no related party transactions in the year except for the reimbursement of trustees' expenses. No remuneration was paid to Trustees in the year but expenses amounting to £3,151 (2022: £4,085) were reimbursed. These expenses related to reimbursed travel expenses and were paid to 8 trustees (2022: 9).

The average number of staff employed during the year was 2 (2022: 3).

Three staff members are entitled to pension contributions relating to a defined contribution pension scheme, there was £661 (2022: £948) of outstanding contributions at the year end (included within creditors). No employee receives employment benefits in excess of £60,000 p.a.

The group considers its key management personnel comprise the trustees, the fund manager and fund administrator. The total employment benefits including employer pension contributions of the key management personnel were £85,151 (2022: £85,215).

6 Freehold property

| Group and charity | 2023 | <i>2022</i> |
|---|----------------|----------------|
| | £ | £ |
| Cost at 1 April 2022 | 400,000 | <i>400,000</i> |
| Cost at 31 March 2023 | 400,000 | <i>400,000</i> |
| Historical cost (pre transfer on incorporation) | 6,451 | <i>6,451</i> |

The freehold property included above was recognised using a previous basis (valuation basis) valuation as a deemed cost on transition to SORP (FRS 102). The asset is being depreciated from the valuation date of 1 April 2015 and having a net book value of £400,000 (2022: £400,000). This is considered to be the residual value.

7 Investments: listed

| Group | Total | Government | Equity Holdings |
|-----------------------------|------------------|-------------------|------------------------|
| | £ | Bonds | £ |
| | | £ | |
| Valuation at 1 April 2022 | 8,084,193 | - | 8,084,193 |
| Acquisitions | 337,191 | 229,781 | 107,410 |
| Disposals | (853,040) | - | (853,040) |
| Changes in unrealised gains | (835,411) | (3,298) | (832,113) |
| Valuation at 31 March 2023 | 6,732,933 | 226,483 | 6,506,450 |
| Charity | Total | Government | Equity Holdings |
| | £ | Bonds | £ |
| | | £ | |
| Valuation at 1 April 2022 | 7,705,559 | - | 7,705,559 |
| Acquisitions | 267,989 | 200,249 | 67,740 |
| Disposals | (743,141) | - | (743,141) |
| Changes in unrealised gains | (800,585) | (2,646) | (797,939) |
| Valuation at 31 March 2023 | 6,429,822 | 197,603 | 6,232,219 |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2023

| 8 Debtors | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---------------------------|--------------------|--------------------|----------------------|----------------------|
| Deferred expenses | 1,713 | 2,737 | 1,713 | 2,737 |
| Contributions from forces | 33,303 | 36,323 | 33,303 | 36,323 |
| Accrued investment income | 1,553 | - | 1,355 | - |
| | <u>36,569</u> | <u>39,060</u> | <u>36,371</u> | <u>39,060</u> |

| 9 Creditors | 2023 £ | 2022 £ |
|------------------------------|---------------|---------------|
| Group and charity | | |
| PAYE and NI | 1,447 | 2,164 |
| Other creditors and accruals | 19,411 | 20,982 |
| | <u>20,858</u> | <u>23,146</u> |

| 10 Designated funds | 2023 £ | 2022 £ |
|--|------------------|------------------|
| Charity | | |
| Market value of investments at 31 March 2023 | 6,429,822 | 7,705,560 |
| Historical cost of investments | (2,961,166) | (3,436,319) |
| | <u>3,468,656</u> | <u>4,269,241</u> |

The Trustees believe it would not be prudent to consider unrealised gains on investments as being expendable as the gains or losses may differ materially from those which are subsequently realised.

When the market value of investments exceeds their historic cost the aggregate unrealised gain is credited to the designated fund. Where the market value of investments is less than their historic cost the aggregate unrealised loss remains within the general fund.

11 Income and expenditure - prior period

| | Unrestricted General funds £ | Unrestricted Designated funds £ | Restricted funds £ | 2022 Total funds £ |
|--------------------------------------|---------------------------------------|--|--------------------------|-----------------------------|
| Income | | | | |
| Donations and legacies | 234,696 | - | - | 234,696 |
| Income from investments | 166,155 | - | 9,997 | 176,152 |
| Total income | <u>400,851</u> | <u>-</u> | <u>9,997</u> | <u>410,848</u> |
| Expenditure | | | | |
| Expenditure on raising funds | 44,436 | - | 2,148 | 46,584 |
| Expenditure on charitable activities | 870,468 | - | - | 870,468 |
| Total expenditure | <u>914,904</u> | <u>-</u> | <u>2,148</u> | <u>917,052</u> |

THE GURNEY FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2023**

12 Analysis of group net assets by type of fund

| | Fixed Asset £ | Investments £ | Current Assets £ | Creditors £ | Total £ |
|---|---------------------|------------------|------------------------|-----------------|------------------|
| Unrestricted funds | 400,000 | 6,429,819 | 229,976 | (20,858) | 7,038,937 |
| Restricted fund - Gurney Benevolent Fund | - | 303,114 | 33,973 | - | 337,087 |
| | <u>400,000</u> | <u>6,732,933</u> | <u>263,949</u> | <u>(20,858)</u> | <u>7,376,024</u> |

13 Charity results

| | 2023 £ | 2022 £ |
|--|--------------------|------------------|
| Income | 411,865 | 400,851 |
| Expenditure on raising funds | (38,621) | (44,436) |
| Expenditure on charitable activities | (1,048,942) | (870,468) |
| Realised gains on investments | 283,583 | 239,085 |
| Unrealised gains / (losses) on investments | (800,585) | 158,533 |
| Transfer from Gurney Benevolent Fund | 10,712 | 10,267 |
| Net income/(expenditure) | <u>(1,181,988)</u> | <u>(106,168)</u> |

14 Gurney Benevolent Fund results

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

| | 2023 £ | 2022 £ |
|--|-----------------|----------------|
| The income and expenses were: | | |
| Income from investments | 10,655 | 9,997 |
| Expenditure on raising funds | (1,944) | (2,148) |
| Net realised gains / (losses) on investments | (11,937) | - |
| Net unrealised gains / (losses) on investments | (34,826) | (4,054) |
| Transfer to general unrestricted fund | (10,712) | (10,267) |
| Net expenditure for year | <u>(48,764)</u> | <u>(6,472)</u> |

The assets and liabilities were:

| | | |
|-------------------------|----------------|----------------|
| Fixed asset investments | 303,114 | 378,634 |
| Current assets | 33,973 | 7,214 |
| Total net assets | <u>337,087</u> | <u>385,848</u> |
| Represented by: | | |
| Restricted funds | 337,087 | 385,848 |
| Total funds | <u>337,087</u> | <u>385,848</u> |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2023

15 Forces donations and collecting boxes

| | | 2023 | 2022 |
|---------------------|---|--------------|------------|
| | | £ | £ |
| Dorset | The Dorchester & Weymouth Police Ball via retired Inspector Les Fry | - | 609 |
| Beds, Cambs & Herts | Armed Police Unit | 1,050 | - |
| Hampshire | Hampshire Constabulary | 662 | - |
| Leicestershire | Leicestershire Police | 300 | - |
| Warwickshire | Collection boxes | - | 135 |
| | | <u>2,012</u> | <u>744</u> |

16 Private donations

| | | 2023 | 2022 |
|--|--|--------------|--------------|
| | | £ | £ |
| Anonymous | | 360 | 270 |
| Broadfoot Antiques | | 300 | - |
| Doubleday Charitable Trust | | 800 | 700 |
| E Brown | | 1,825 | - |
| Giftaid | | 561 | - |
| In memory of D Golding | | 150 | - |
| In memory of J Dicker | | 25 | - |
| Just Giving | | 2,663 | 2,581 |
| Mr J Kidgell | | - | 23 |
| Mr K Gromett | | 60 | 60 |
| Mrs Louise Douglas - sale of tooth fairy bags | | - | 40 |
| Mr M Davies | | - | 100 |
| Mr M Helyar | | 120 | 120 |
| Mr Simon Stabb | | 500 | 250 |
| Mrs Susan Craggs | | 180 | 180 |
| Much Loved | | 341 | - |
| Paypal | | - | 314 |
| Virgin Money Giving | | - | 814 |
| Mr & Mrs Elder, Mr Brian Simmons and South Downs Funeral Service | | - | 395 |
| | | <u>7,885</u> | <u>5,847</u> |

17 Legacy income

Legacy income 2023: £14,319 (2022: £5,000).

18 Ultimate controlling party

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

Police Children's Fund

England & Wales - Charity number 1156903

Accounts

Draft 25/7/22

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

THE GURNEY FUND

TRUSTEES' REPORT AND AUDITED GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THE GURNEY FUND**CONTENTS**

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THE GURNEY FUND**LEGAL AND ADMINISTRATIVE DETAILS**

The Gurney Fund is administered by:

| | |
|--|---|
| Chairman | T Packham |
| Treasurer | D Richards Retired September 2021 S Johnson Appointed September 2021 Resigned January 2022 T Arthur Appointed Trustee May 2022 Appointed Treasurer August 2022 |
| Managing Trustees and Directors | O Abercrombie Resigned January 2022 J Apter Retired March 2022 M Brunning P Campbell Retired May 2021 J Carter-Lang H Darby Appointed August 2022 J Gilmer L Hutson P Land Retired May 2021 W Rumford Appointed May 2022 I Simmons G Smith Appointed May 2022 M Tyler M Warnes |
| Fund Manager | Miss C McNicol |
| Registered Office | 9 Bath Road Worthing West Sussex BN11 3NU Tel: 01903 237256 Web Site: www.gurneyfund.org |
| Bankers | Lloyds Bank Plc 41-43 South Street Worthing West Sussex BN11 3AU |
| Chartered Accountants and Statutory Auditor | Kreston Reeves LLP 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ |
| Investment Managers | Charles Stanley & Company Limited Windsor House 6 - 10 Mount Ephraim House Tunbridge Wells Kent TN1 1EE |
| Solicitor | Appointment pending |

THE GURNEY FUND**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2022****Company number 08542702
Charity numbers 1156903 & 1156903-2**

At the time of writing this we are now two years on from our first lockdown caused by the global pandemic of Covid 19. At last, we have some good news as the restrictions that were imposed throughout the United Kingdom are being lifted, and we can go back to living our lives as normally as we can, whatever the new normal looks like.

We previously made plans to ensure the work of the Fund was disrupted as little as possible. The office was equipped for remote working and our meetings were conducted online. I am looking forward to our next Trustees' Meeting, as we will be able to meet in person again. Last year I set out my plans going forward by ensuring regular contact is maintained with all of our subscribing forces' local representatives. This was to allow us to maximise our opportunities in identifying and supporting those children who need our assistance the most. This has been achieved and we have now identified the relevant local representatives.

I would like to place on record my gratitude to a number of retiring Trustees and to recognise and pay thanks for the service given to the Fund by the former treasurer Mr David Richards and other Trustees: Mr Paul Campbell, Mr Peter Land, Mr Oliver Abercrombie and Mrs Sarah Johnson. They have all served the Fund for a number of years and made a massive contribution helping the Fund achieve its aims. Details of new Trustees, taking over from the above, are included in the report. I am grateful for the continued support and the commitment of all the Trustees.

A warm welcome is extended to Miss Nikki Braybrooke who has joined the Team at the office.

As we emerge from the pandemic, I can update you that we are now in a position to restart the activity holiday for a number of our beneficiaries. I am aware of the huge benefits the children get from these holidays.

The following covers the Fund's financial year 1 April 2021 to 31 March 2022.

The Trustees present their report and the audited financial statements of the Charity for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and the financial statements of the Charity.

ESTABLISHMENT OF THE FUND

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Fund's Board is comprised of two ex-officio officers and ten serving police officers who are responsible for the administration of the charity. The ex-officio Trustees are the Chairman and Treasurer who are elected at a meeting of the Board of Trustees. The nominative trustees comprise two members from the National Police Chiefs' Council (NPCC), appointed by the Chief Police Officers' Staff Association (CPOSA); two persons holding the Superintending rank, appointed from among the subscribing police forces by the Superintendents' Association and six people nominated from among the subscribing forces by the Police Federation of England & Wales, two from the Inspecting ranks, two holding the rank of Sergeant and two holding the rank of Constable. The Board meets at least four times a year at which five members constitute a quorum. Any matters at Board or General Meetings shall be determined by the majority of the votes of the members present.

Trustees' Training

To equip them with the information needed to fulfil their obligations new Trustees are issued with an Information Pack. They attend an Induction Course which provides information on the Fund's structure & operation; their legal responsibilities & duties and current initiatives. With the relaxation of restrictions relating to the pandemic courses are once again taking place at the Fund's office. Changes in legislation and Charity Commission Guidelines are circulated to all Trustees and discussed at Board Meetings.

Remuneration policy

The Group considers its key management personnel comprise the Trustees, Fund Manager and Fund Administrator. Trustees are not remunerated for their time but are reimbursed expenses. There is a Paying Employees Policy: pay is reviewed annually by the Fund's officers utilising Sussex Police Staff Pay Scales.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

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

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

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

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

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

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

The benefits of children of a parent who remarries cease automatically pending completion of an application form for consideration by the Trustees. Any awards made, albeit of a reduced amount, may be backdated to the date of the remarriage.

To date, more than 3,714 children have received assistance.

The Trustees carry out the Fund's objectives by:

- making weekly allowances, paid quarterly;
- awarding additional grants to assist with educational costs: the purchase of school uniform, sports kit, school activities, music tuition and instruments;
- awarding Christmas gifts to all beneficiaries in receipt of weekly allowances and those with whom contact is being maintained and;
- arranging holidays for beneficiaries.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

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

It is an established fact that an allowance from the Fund is a matter of bounty and not of right. All benefits are paid according to "need" and at the sole discretion of the Trustees.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

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

THE GURNEY FUND

FINANCIAL REVIEW

Contributions are derived from regular police subscriptions; donations from the police and members of the public; sale of police property under the Police Property Act 1987; police collecting boxes; Gift Aid donations and legacies. Further revenue is raised from the investment dividends and interest on the investment account at the bank.

Members of the following Forces contribute via the Give as You Earn scheme: Dorset, Dyfed-Powys, Essex, Gloucestershire, Leicestershire, Northamptonshire, South Wales, Suffolk, Thames Valley and Wiltshire.

A total of 228 beneficiaries were on the register at 31 March 2022 receiving allowances varying from £20 to £100 per week. Of the six remarried parents, 10 dependent children were in receipt of allowances ranging from £20 to £70 per week.

During the year to 31 March 2022 46 children were added to the register.

There were 66 medically retired officers, supporting 124 children, receiving weekly grants varying from £20 to £100.

In addition to quarterly allowances totalling £520,448 and Christmas gifts £27,000 the Trustees awarded 74 grants, ranging from £9 to £1,998, totalling £26,670 for course related books and equipment, swimming lessons, sports and activities clubs, school bus fares, driving lessons and counselling.

The Annual Review identified 20 beneficiaries where "need" could no longer be established; the allowances for 24 beneficiaries were increased and 13 had their allowances reduced from 1 April 2022.

Where allowances from the Fund cease, because "need" can no longer be established, links with the families are maintained until the children complete their education. At 31 March 2022 contact was being maintained with 115 children who received Christmas gifts totalling £14,625. Assistance with counselling costs continue one grant of £140 was issued.

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

The Fund does not pay allowances to beneficiaries who go on to higher education it may, however, consider providing a contribution to assist with higher education expenses and grants towards the cost of books and ancillary equipment. Ninety three students were registered for higher, or continuing further, education at the end of the financial year and assistance totalling £137,749 was awarded during the course of the year.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

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

Fund Raising Standards

The charity recognises the vital contribution made by its supporters, with voluntary donations accounting for approximately 57% of the charity's incoming resources. Without this support it would not be possible for the charity to continue to undertake its current level of activity, which would have a devastating impact on the vulnerable people that we seek to care for.

We believe that giving to charity should be a positive experience, and to help ensure that this is the case the charity has put in place a policy that seeks to ensure that the highest possible standards of fundraising practice are being adopted. This policy acknowledges the damaging impact an excessively aggressive approach to fundraising can have on vulnerable people, whether from unreasonably persistent approaches being made or undue pressure to give being applied, and great care is undertaken to ensure that such practices are not adopted by the charity. All fundraising activity is monitored and administered by the Fund's Manager and Administrator; the charity does not utilise the services of any external commercial fundraisers. At this point, given that the majority of the charity's donations are from police force subscriptions, the Trustees do not consider it necessary to subscribe to a Fundraising Regulator.

The charity welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activities.

RESERVES POLICY

The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections.

The Trustees regularly review the level of reserves to ensure they are appropriate, taking into account projections of:

- (a) the number of subscribing officers;
- (b) the number of claimants;
- (c) the level of inflation;
- (d) income and capital growth yields available for the investment portfolio.

At the year end, the charity had total unrestricted funds of £8,220,925 (2021: £8,327,093). Free reserves, which are unrestricted funds less tangible fixed assets and designated funds, were £3,551,684 (2021: £3,816,385).

INVESTMENT POLICY

The Trustees have identified the need to invest for a balance of growth and income in order to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Fund's Investment Manager: Charles Stanley & Co Limited.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

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

INVESTMENT PERFORMANCE REVIEW

Mr Jon Curtis, Investment Manager, Charles Stanley reports that:

As we look back on the last year, it is one that saw the pandemic coming to an end, only to be superseded in prominence by the Russian invasion of Ukraine. No one could have predicted this scenario or foreseen the economic consequences felt across the globe, although many trends were simply accelerated by this course of events. It is fair to say that as economies started to reopen, they were hit by supply chain issues in commodities, semiconductors, grain, and other necessities for everyday life. Indeed, we saw a sharp reverse in markets post Christmas 2021 as the technology sector, together with US markets, suffered a sharp fall. Areas which had delivered strong returns over the two previous years were drags on performance in the early part of 2022.

As we mentioned before, we were fairly passive in our response to the pandemic and also the more recent market volatility as we continued to believe that geographical and asset type diversity protected against the worst effects of these events. We had already repositioned the Fund's investments prior to the pandemic and also the more recent sell off. Although the last quarter (to 31 March 2022) has delivered a marginal underperformance against the benchmarks, it is pleasing to report that the one, three and five year performances are ahead when compared to all benchmarks on a total return basis.

As per our last year's report, the portfolio income has continued to improve and now stands at £168,773 (21 April 2022) versus a figure of £155,586. We believe that this trend will continue as we see more companies reinstate their dividends and grow their profits as the world recovers from two Black Swan events in quick succession.

Throughout the last year inflation has been a concern. Central banks have been treading a very difficult path between raising interest rates slowly enough to contain inflation without stifling economic growth by cutting their asset purchasing programmes. The worst outcome of central banks getting this wrong would be stagflation. Added to this, the recent Russian invasion has pushed up energy prices hugely as it is the world's second largest energy exporter whose customers are imposing trade and economic sanctions on them, resulting in even more inflationary pressures and an obvious cost of living crisis. Although we expect inflation to ease by the end of the year, it is undoubtedly causing serious hardship to many sectors of society.

Whilst Covid and Ukraine continue to make headlines, Brexit is perhaps less of an issue now, as the wrinkles of the UK's divorce from the EU appear to be getting ironed out. The UK has signed many trade deals in the interim and is now looking more globally than previously, making agreements with Asian, South American and Australasian countries at a rapid pace. Overall, this can only be good news as trade worries will recede.

We expect markets to remain volatile over the coming few months and for much of 2022, especially if there is an escalation of events in Eastern Europe. However, as energy prices settle and inflationary pressures ease, central banks' jobs will become easier and economies will be more predictable. We believe that the medium term prospects for stock markets remain positive, however, investors should be prepared for more moderate returns than those that we have seen over the last two years, as these were fuelled by central banks printing money, and dramatic social changes due to the pandemic – both of which are now drawing to a close.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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

GENERAL – THE GURNEY FUND

The Fund's Board meets four times a year to review applications and ensure that the needs of existing Fund families are met. With assistance from our advisers the meetings also provide an opportunity for Trustees to ensure that changes in legislation and recommendations from the Charity Commission are implemented.

Where an officer dies, whether it is on or off duty, Fund assistance applies automatically in most cases. With a medical retirement the officer is requested to complete an application form which goes to the Board of Trustees for consideration. If in any doubt as to whether a family should apply for assistance please contact the Fund Manager.

Some adaptations to the work of the Fund's Board, implemented to address the restrictions posed by the pandemic, proved beneficial. Meetings are now a mixture of in person and on-line resulting in a reduction in travel for Trustees and costs for the Fund.

Due to the mixed results of the postponed tri-annual review of Trustees' the Board are proposing a change to its structure: removing ranks for federated officers. This will require endorsement by members and amendment to the Fund's Memorandum and Articles of Association. Consultation with members will take place in due course.

During discussions on the Fund's marketing strategy a review of encouraging referrals, led by Mrs Sarah Johnson, also took place. Together with the Fund Manager the Local Representatives have been contacted to clarify who may be considered for Fund assistance and an on-line referral form has been added to the Fund's website.

Through contact with Fund Local Representatives it was established that not everyone is aware of the breadth of the Fund's remit: applications may be considered, whether the death or medical retirement was on or off duty, where:

Death – a police officer or police pensioner dies leaving children who are still in full time education;

Medical retirement – applications may be considered as the officer approaches retirement; there is no need to wait for the outcome of any injury on duty award applications;

Special Constables – where death on duty or serious role-related injuries occur.

If in any doubt please contact the Fund Manager to discuss.

ACCOUNTS

In August it was agreed that the time had come to transfer the Fund's accounting procedures from a manual system to on-line accounting software. Fund Administrators Mrs Sherral Keywood and Miss Nikki Braybrooke, with assistance from Ms Jemma Short at Kreston Reeves, commenced a trial of Xero in December and the accounts moved on-line at the start of the new financial year: 1 April 2022.

HOLIDAY

The two year break gave Trustees the opportunity to review the holiday format and in particular the risks posed. In consultation with Mrs Kerry Murray, Hampshire retired, who led the Sailing Holiday, it was agreed the time was right to combine the two separate activity and sailing holidays.

Fund Chairman, Mr Tim Packham, expressed the Board's thanks and appreciation to everyone who helped with the sailing holidays, which ran for just over 25 years, noting that "these holidays would not have been so successful had it not been for the hard work and dedication of all those involved".

For 2022 the holiday returns, based at the Calshot Activities Centre in Hampshire, with water and land based activities for all abilities and ages for beneficiaries aged between 11 and 18.

HONOURS

In January 2022 Fund Local Representative Mrs Dominique Allen from Leicestershire was awarded a BEM for services to policing. Mrs Allen has been a staunch supporter of the Fund during both her career as a police officer and subsequent role as Treasurer of the Leicestershire Police Benevolent Fund.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Company number 08542702
Charity numbers 1156903 & 1156903-2

SUBSCRIPTIONS AND DONATIONS

Fund subscriptions were last increased, from 10p to 20p per week, on 1 January 1989. The matter is reviewed regularly; when the need for an increase is identified the Fund's stakeholders will be consulted fully before any change is made.

Every subscription and donation received is much appreciated; a full list of donations is given at the end of the Report.

The Virgin Money Giving donation facility closed on 30 November 2021 and has been replaced by JustGiving.

The Board appreciates the assistance provided by everyone involved with the collection and transfer of subscriptions, however, special mention must go to those who assisted with queries relating to Dorset during the year: Ms Anna Harvey and Ms Suzanne Whittle from Dorset and Ms Dianne Stephens and the Payroll Team at Devon & Cornwall.

Trustees were also delighted by a fund raising initiative by Mrs Louise Douglas from Hampshire: tooth fairy bags. These will be distributed to Dental Practices in her area; a supply has been purchased for the Fund to use at events.

The JustGiving facility was used to good effect by Ms Lowri Williams from Dyfed Powys who raised over £2,000 by cycling 35km a day throughout January.

With the easing of social distancing it was possible for Fund representatives to once again attend events.

Hampshire Police Federation Family Day 14.08.21 – attended by the Fund Manager, Miss McNicol the event provided an opportunity to engage with officers and their children.

National Police Memorial Day 26.09.21 – Mr Packham, Chairman represented the Fund and advised that even with the reduced numbers it was a lovely service.

The Police Treatment Centres AGM 30.09.21 – this event provided the Chairman with an opportunity to catch up with Colonel Patrick Cairns MBE on the impact of the pandemic on the St Georges Police Children's Trust (now The Police Children's Charity).

Hampshire Police Federation Award & Recognition Charity Dinner 01.10.21 - another excellent event which gave Miss McNicol a chance to spend time with one of the Fund's beneficiaries: Lucy Stoneley who has raised over £1,600 in donations running with one of our Local Representative's, Mr Spencer Wragg, in the Great South Run. Time was also spent with Ms Claire Craigie from Police Care UK.

Police Charities UK 13.10.21 and 07.03.22– Mr Packham and Miss McNicol attended the group's meetings which in October took place at The Police Treatment Centre, in Harrogate and in March at The Police Rehabilitation Centre in Goring on Thames. Mr Dave Blundell chaired both meetings for which there was good attendance both face to face and on-line. These meetings provide an excellent opportunity for those involved in the police charity sector to meet and discuss the challenges they are facing.

RISK REGISTER

As part of its on-going risk assessment and risk assessment management, the major risks to which the Fund is exposed are continually assessed and the findings reviewed by the Trustees. The Trustees are satisfied that appropriate measures are in place to mitigate the exposure to such risks.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

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

RETIREMENTS/RESIGNATIONS

Mr Peter Land, Avon & Somerset and Mr Paul Campbell, Surrey joined their colleagues in August 2021 to say farewell. At the time of his retirement Mr Land had been a trustee for 13 years; Mr Campbell joined the Board in 2017.

In September 2021 the Fund's Treasurer, Mr David Richards retired.

It was at Mr Richards suggestion that assistance with the cost of counselling was introduced for Fund beneficiaries in August 2020. Initially grants totalling £500 per child were available increasing to £1,000 in February 2021. The impact of the pandemic has led to an increase in applications and feedback from parents on the benefits to their children has been very positive.

In January 2022 Mr Oliver Abercrombie and Mrs Sarah Johnson resigned. Following her retirement from the police service in August 2021 Mrs Johnson stepped into the Treasurer's role, resigning to concentrate on a new career. Mr Abercrombie's departure was to enable him to focus on his police career.

Mr John Apter, Hampshire retired from the Fund in March 2022. A proactive supporter of the Fund during his time as the Fund's Local Representative Mr Apter became a trustee in November 2009; was Vice Chair between February 2010 and August 2018; an Activity Holiday helper and Group Leader.

The Board wish Mr Land, Mr Campbell, Mr Richards and Mr Apter all the very best in their retirements and Mr Abercrombie and Mrs Johnson in their policing and new careers.

The vacancies created by the above changes have been filled by:

Sergeants' representatives: Mrs Mel Warnes, Surrey and Mr Garry Smith, Hampshire;

Constables' representatives: Mr Jon Carter-Lang, Leicestershire and Mr Tom Arthur, Surrey.

Inspector's representative: Mr Bill Rumford, Bedfordshire.

With the Fund Manager's retirement on the horizon, in September, Miss Nikki Braybrooke joined Miss McNicol and Mrs Keywood to ensure a smooth transition.

THANKS

The Trustees gratefully acknowledge and record warmest thanks to the following:

Chief Constables, Force Welfare Officers, Local Representatives and Federation Secretaries of the Fund's subscribing forces for their commendable assistance and all contributing members in supporting the Trustees in their endeavours to ensure that the welfare of the beneficiaries is maintained in every respect possible.

Our professional advisers: Mr Jon Curtis and Mrs Katie Presland, Charles Stanley & Co Limited and Mr Simon Webber, Kreston Reeves LLP.

Miss McNicol, Mrs Keywood and Miss Braybrooke who deal with the day to day work of the Fund and the Board.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

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

WELFARE SERVICE

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

Through this service there is the opportunity to have contact with someone totally independent of the police service. The conversations that take place are wide ranging and confidential. Whilst counselling is not available from Fund personnel sometimes just having a sympathetic ear to bounce a problem off helps put it into perspective. If a topic is raised with which the Fund is unable to assist every effort is made to point families in the direction of someone who can: Force, Federation or another charity.

As mentioned earlier support with the cost of counselling is now available to all beneficiaries currently registered with the Fund.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources, including the income and expenditure, of the charitable company for that period. In preparing financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2006, the Charity (Accounts Reports) Regulations 2008 and the Memorandum & Articles of Association. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

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

This report, which included the directors' report and strategic report, was approved by the Board on 4 August 2022 and signed on behalf of the Board by

Tim Packham
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF**THE GURNEY FUND****FOR THE YEAR ENDED 31 MARCH 2022**

Opinion

We have audited the financial statements of The Gurney Fund (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the balance sheets, the Consolidated 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 group's and parent charitable company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year 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 Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
THE GURNEY FUND
FOR THE YEAR ENDED 31 MARCH 2022**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
THE GURNEY FUND
FOR THE YEAR ENDED 31 MARCH 2022**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, and employment law. 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 Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. 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 posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Confirmation of investment valuation and income to third party documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

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 Auditors' Report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
THE GURNEY FUND
FOR THE YEAR ENDED 31 MARCH 2022**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date

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

THE GURNEY FUND

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

| | Note | Unrestricted funds | | | 2022 | 2021 |
|--|------|--------------------|------------------|-----------------|------------------|------------------|
| | | General £ | Designated £ | Restricted | Total £ | Total £ |
| Income | | | | | | |
| Donations and legacies | 3 | 234,696 | - | - | 234,696 | 234,486 |
| Income from investments | | 166,155 | - | 9,997 | 176,152 | 171,897 |
| Total Income | | 400,851 | - | 9,997 | 410,848 | 406,383 |
| Expenditure | | | | | | |
| Raising funds - investment manager costs | | 44,436 | - | 2,148 | 46,584 | 42,747 |
| Charitable activities | 4 | 870,468 | - | - | 870,468 | 955,058 |
| Total expenditure | | 914,904 | - | 2,148 | 917,052 | 997,805 |
| Net realised gains/(loss) on investments | | 239,085 | - | - | 239,085 | 78,393 |
| Net unrealised gains/(loss) on investments | | - | 158,533 | (4,054) | 154,479 | 1,711,599 |
| Net income/(expenditure) | | (274,968) | 158,533 | 3,795 | (112,640) | 1,198,569 |
| Transfers between funds | | 10,267 | - | (10,267) | - | - |
| Net movement in funds | | (264,701) | 158,533 | (6,472) | (112,640) | 1,198,569 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 4,216,385 | 4,110,708 | 392,323 | 8,719,416 | 7,520,847 |
| Total funds carried forward | | 3,951,684 | 4,269,241 | 385,851 | 8,606,776 | 8,719,416 |

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

THE GURNEY FUND
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

Company number 08542702
Charity numbers 1156903 & 1156903-2

| | Notes | 2022 | | 2021 |
|---|-------|-----------------|-------------------------|-------------------------|
| | | £ | £ | £ |
| Fixed assets | | | | |
| Freehold property | 6 | | 400,000 | 400,000 |
| Investments | | | | |
| Listed investments at market value | 7 | | 8,084,193 | 8,133,916 |
| | | | <u>8,484,193</u> | <u>8,533,916</u> |
| Current assets | | | | |
| Sundry debtors | 8 | 39,060 | | 39,793 |
| Cash at bank and in hand | | 29,414 | | 51,051 |
| Deposit accounts | | 64,524 | | 102,811 |
| Stockbroker income account | | <u>12,731</u> | | <u>12,419</u> |
| | | <u>145,729</u> | | <u>206,074</u> |
| Current liabilities | | | | |
| Sundry creditors | 9 | <u>(23,146)</u> | | <u>(20,574)</u> |
| Net current assets | | | <u>122,583</u> | <u>185,500</u> |
| Total assets less current liabilities | | | <u><u>8,606,776</u></u> | <u><u>8,719,416</u></u> |
| Group funds: | | | | |
| Unrestricted general funds | | | | |
| General | | | | |
| Brought forward | | 4,216,385 | | 4,727,168 |
| Movement for the year | | (274,968) | | (521,362) |
| Transfer between reserves | | <u>10,267</u> | | <u>10,579</u> |
| Carried forward | | | 3,951,684 | 4,216,385 |
| Unrestricted designated funds | | | | |
| Investment fund | 10 | | | |
| Brought forward | | 4,110,708 | | 2,440,088 |
| Movement for the year | | <u>158,533</u> | | <u>1,670,620</u> |
| Carried forward | | | 4,269,241 | 4,110,708 |
| Restricted funds the Gurney Benevolent Endowment | | | | |
| Investment fund | | | | |
| Brought forward | | 392,323 | | 353,591 |
| Movement for the year | | 3,795 | | 49,311 |
| Transfer between reserves | | <u>(10,267)</u> | | <u>(10,579)</u> |
| Carried forward | | | 385,851 | 392,323 |
| Total Group funds | | | <u><u>8,606,776</u></u> | <u><u>8,719,416</u></u> |

The notes 1 to 18 form part of these accounts.

For the year ending 31 March 2022 the parent company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this parent company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

and signed on its behalf by

Tim Packham
Chairman

THE GURNEY FUND

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022Company number 08542702
Charity number 1156903

| | Notes | 2022 | | 2021 | |
|--|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments at market value | 7 | | 7,705,559 | | 7,751,228 |
| | | | <u>8,105,559</u> | | <u>8,151,228</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 39,060 | | 39,793 | |
| Cash at bank and in hand | | 29,414 | | 51,051 | |
| Deposit accounts | | 59,526 | | 95,665 | |
| Stockbroker income account | | <u>10,515</u> | | <u>9,933</u> | |
| | | <u>138,515</u> | | <u>196,442</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(23,146)</u> | | <u>(20,574)</u> | |
| Net current assets | | | 115,369 | | 175,868 |
| Total assets less current liabilities | | | <u>8,220,928</u> | | <u>8,327,096</u> |
| Charity funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 4,216,388 | | 4,727,171 | |
| Movement for the year | | <u>(264,701)</u> | | <u>(510,783)</u> | |
| Carried forward | | | 3,951,687 | | 4,216,388 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 4,110,708 | | 2,440,088 | |
| Movement for the year | | <u>158,533</u> | | <u>1,670,620</u> | |
| Carried forward | | | 4,269,241 | | 4,110,708 |
| Total Charity funds | | | <u>8,220,928</u> | | <u>8,327,096</u> |

The notes 1 to 18 form part of these accounts.

For the year ending 31 March 2022 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

and signed on its behalf by

Tim Packham
Chairman

THE GURNEY FUND

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|---------------------|------------------|------------------|
| Net cash outflow from operating activities | 1 | (502,899) | (582,093) |
| Net cash inflow from investing activities | 2 | 443,287 | 407,773 |
| Net (decrease)/increase in cash balances held | 3 | (59,612) | (174,320) |
| Cash and cash equivalents consists of: | | | |
| | | 2022 £ | 2021 £ |
| Cash at bank and in hand | | 106,669 | 166,281 |
| Cash and cash equivalents at 31 March | | 106,669 | 166,281 |
| Note 1 - Reconciliation of changes in resources to net inflow from operating activities | | | |
| | | 2022 £ | 2021 £ |
| Net income/(expenditure) for the year before other recognised gains and losses | | (506,204) | (591,423) |
| Decrease/(increase) in debtors | | 733 | 8,847 |
| (Decrease)/increase in creditors | | 2,572 | 483 |
| Net cash outflow from operating activities | | (502,899) | (582,093) |
| Note 2 - Net investment proceeds/(purchases) | | | |
| | | 2022 £ | 2021 £ |
| Payments to acquire shares | | (70,251) | (381,923) |
| Receipts from sales of shares | | 513,538 | 789,696 |
| Net cash inflow from investing activities | | 443,287 | 407,773 |
| Note 3 - Net decrease in cash balances held | | | |
| | Movement in year | 2022 £ | 2021 £ |
| Deposit accounts | (38,287) | 64,524 | 102,811 |
| Stockbroker income account | 312 | 12,731 | 12,419 |
| Current account and cash | (21,637) | 29,414 | 51,051 |
| | (59,612) | 106,669 | 166,281 |

THE GURNEY FUND**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2022****1 Principal accounting policies*****Basis of preparation***

The Gurney Fund Limited is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The Trustees of The Gurney Fund, as appointed and elected in accordance with its rules and constitution, are automatically appointed as the Trustees of the Gurney Benevolent Fund in accordance with its governing document. As a result the Trustees of The Gurney Fund also control the Gurney Benevolent Fund and manage the two charities on a unified basis. Accordingly these financial statements consolidate the results of The Gurney Fund (the "charity") and the Gurney Benevolent Fund on a line by line basis. A separate statement of financial activities and income and expenditure account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. Throughout the financial statements "Group" is used when referring to the consolidated results of both The Gurney Fund and the Gurney Benevolent Fund. "Charity" is used when referring to The Gurney Fund only.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Reserves

The group funds support their beneficiaries over long periods of up to 20 years, and in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections. Subscribing officers contribute by a fixed weekly sum and until an increase in this sum is requested there is no correlation between income from this source and inflationary effects on allowances to beneficiaries.

Within the charity a designated fund has been set-up to isolate any unrealised gains or losses on investments until they are realised upon disposal.

The restricted fund consists of a permanent endowment arising from the sale of certain investments and the sale proceeds of the Southern Provincial Police School and Orphanage. It is the Trustees intention going forward to maintain the level of the Gurney Benevolent Fund investment portfolio invested in the gilts market to at least a balance equal to the permanent endowment fund.

Freehold property

Freehold property is stated at deemed cost less accumulated depreciation and accumulated impairment losses. The Freehold property is currently held at residual value, such that no further depreciation is charged.

Capital expenditure

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

Debtors

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

Cash at bank and in hand

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

THE GURNEY FUND**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2022**

Creditors and provisions

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

Deferred income and expenditure

Deferred income and expenses relate to income and expenditure received or incurred in advance of trips arranged for the following summer.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Pension contributions

The fund contributes to a money purchase scheme on behalf of certain employees which are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of twelve months from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2022**2 Expenditure**

| | 2022 | 2021 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Expenditure is stated after charging: | | |
| Auditor's remuneration: | | |
| Audit of the financial statements | 8,750 | 8,200 |
| Accountancy and other services | 2,390 | 1,880 |
| | 11,140 | 10,080 |

3 Donations and legacies

| | | 2022 | 2021 |
|---------------------------------------|----|----------------|----------------|
| | | £ | £ |
| Forces subscriptions | | 223,105 | 222,567 |
| Forces donations and collecting boxes | 15 | 744 | 2,242 |
| Private donations | 16 | 5,847 | 9,677 |
| Legacies | 17 | 5,000 | - |
| | | 234,696 | 234,486 |

4 Expenditure on charitable activities

| | | 2022 | 2021 |
|-------------------------------------|---|----------------|----------------|
| | | £ | £ |
| Allowances and grants to children | | 688,297 | 772,402 |
| Activity and sailing holiday | | - | 178 |
| Christmas gifts | | 41,500 | 40,000 |
| Administration costs detailed below | | 36,175 | 66,975 |
| Wages and salaries allocation | 5 | 85,215 | 64,571 |
| Trustees' expenses | | 6,692 | 787 |
| Audit of the financial statements | | 8,750 | 8,200 |
| Accountancy and other services | | 2,390 | 1,880 |
| Legal and professional fees | | 1,449 | 65 |
| | | 870,468 | 955,058 |
| <u>Administration costs:</u> | | | |
| Telephone and postage | | 3,794 | 3,159 |
| Printing, stationery and marketing | | 19,498 | 19,524 |
| Sundries | | 377 | 116 |
| Rates and insurance | | 3,757 | 4,309 |
| Lighting, heating and cleaning | | 2,689 | 2,915 |
| Repairs, renewals and garden upkeep | | 5,893 | 36,902 |
| Staff travel and training | | 167 | 50 |
| | | 36,175 | 66,975 |

Included in charitable activity costs above are governance costs totalling £19,281 (2021: £10,932). These costs include audit and accountancy, legal fees, and trustee meeting expenditure.

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2022**5 Staff costs**

| Group and charity | 2022 | <i>2021</i> |
|--|---------------|---------------|
| | £ | <i>£</i> |
| Gross salaries | 73,549 | <i>55,959</i> |
| Employers national insurance contributions | 2,997 | <i>1,302</i> |
| Pension scheme contributions | 8,669 | <i>7,310</i> |
| | 85,215 | <i>64,571</i> |

There were no related party transactions in the year except for the reimbursement of trustees' expenses. No remuneration was paid to Trustees in the year but expenses amounting to £4,085 (2021: £92) were reimbursed. These expenses related to reimbursed travel expenses and were paid to 9 trustees (2020: 1).

The average number of staff employed during the year was 3 (2021: 2).

Three staff members are entitled to pension contributions relating to a defined contribution pension scheme, there was £948 (2021: £619) of outstanding contributions at the year end (included within creditors). No employee receives employment benefits in excess of £60,000 p.a.

The group considers its key management personnel comprise the trustees, the fund manager and fund administrator. The total employment benefits including employer pension contributions of the key management personnel were £85,215 (2020: £64,571).

6 Freehold property

| Group and charity | 2022 | <i>2021</i> |
|---|----------------|----------------|
| | £ | <i>£</i> |
| Cost at 1 April 2021 | 400,000 | <i>400,000</i> |
| Cost at 31 March 2022 | 400,000 | <i>400,000</i> |
| Historical cost (pre transfer on incorporation) | 6,451 | <i>6,451</i> |

The freehold property included above was recognised using a previous basis (valuation basis) valuation as a deemed cost on transition to SORP (FRS 102). The asset is being depreciated from the valuation date of 1 April 2015 and having a net book value of £400,000 (2021: £400,000). This is considered to be the residual value.

7 Investments: listed

| Group | Total | Equity Holdings |
|-----------------------------|------------------|------------------------|
| | £ | £ |
| Valuation at 1 April 2021 | 8,133,916 | 8,133,916 |
| Acquisitions | 70,251 | 70,251 |
| Disposals | (274,453) | (274,453) |
| Changes in unrealised gains | 154,479 | 154,479 |
| Valuation at 31 March 2022 | 8,084,193 | 8,084,193 |
| Charity | Total | Equity Holdings |
| | £ | £ |
| Valuation at 1 April 2021 | 7,751,228 | 7,751,228 |
| Acquisitions | 70,251 | 70,251 |
| Disposals | (274,453) | (274,453) |
| Changes in unrealised gains | 158,533 | 158,533 |
| Valuation at 31 March 2022 | 7,705,559 | 7,705,559 |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2022

| 8 Debtors | Group 2022 £ | <i>Group 2021 £</i> | Charity 2022 £ | <i>Charity 2021 £</i> |
|---------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Deferred expenses | 2,737 | <i>2,737</i> | 2,737 | <i>2,737</i> |
| Contributions from forces | 36,323 | <i>37,056</i> | 36,323 | <i>37,056</i> |
| | <u>39,060</u> | <i><u>39,793</u></i> | <u>39,060</u> | <i><u>39,793</u></i> |

| 9 Creditors | 2022 £ | <i>2021 £</i> |
|------------------------------|----------------------|----------------------|
| Group and charity | | |
| PAYE and NI | 2,164 | <i>1,246</i> |
| Other creditors and accruals | 20,982 | <i>19,328</i> |
| | <u>23,146</u> | <i><u>20,574</u></i> |

| 10 Designated funds | 2022 £ | <i>2021 £</i> |
|--|-------------------------|-------------------------|
| Group and charity | | |
| Market value of investments at 31 March 2022 | 7,705,560 | <i>7,751,228</i> |
| Historical cost of investments | (3,436,318) | <i>(3,640,520)</i> |
| | <u>4,269,242</u> | <i><u>4,110,708</u></i> |

The Trustees believe it would not be prudent to consider unrealised gains on investments as being expendable as the gains or losses may differ materially from those which are subsequently realised.

When the market value of investments exceeds their historic cost the aggregate unrealised gain is credited to the designated fund. Where the market value of investments is less than their historic cost the aggregate unrealised loss remains within the general fund.

11 Income and expenditure - prior period

| | Unrestricted General funds £ | Unrestricted Designated funds £ | Restricted funds £ | 2021 Total funds £ |
|--------------------------------------|---|--|-----------------------------------|---------------------------------------|
| Income | | | | |
| Donations and legacies | 234,486 | - | - | 234,486 |
| Income from investments | 161,528 | - | 10,369 | 171,897 |
| Total income | <u>396,014</u> | <u>-</u> | <u>10,369</u> | <u>406,383</u> |
| Expenditure | | | | |
| Expenditure on raising funds | 40,711 | - | 2,037 | 42,748 |
| Expenditure on charitable activities | 955,058 | - | - | 955,058 |
| Total expenditure | <u>995,769</u> | <u>-</u> | <u>2,037</u> | <u>997,806</u> |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2022

12 Analysis of group net assets by type of fund

| | Fixed Asset £ | Investments £ | Current Assets £ | Creditors £ | Total £ |
|---|---------------------|------------------|------------------------|-----------------|------------------|
| Unrestricted funds | 400,000 | 7,705,559 | 138,515 | (23,146) | 8,220,928 |
| Restricted fund - Gurney Benevolent Fund | - | 378,634 | 7,214 | - | 385,848 |
| | 400,000 | 8,084,193 | 145,729 | (23,146) | 8,606,776 |

13 Charity results

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Income | 400,851 | 396,014 |
| Expenditure on raising funds | (44,436) | (40,711) |
| Expenditure on charitable activities | (870,468) | (955,058) |
| Realised gains on investments | 239,085 | 78,393 |
| Unrealised gains / (losses) on investments | 158,533 | 1,670,620 |
| Transfer from Gurney Benevolent Fund | 10,267 | 10,579 |
| Net income/(expenditure) | (106,168) | 1,159,837 |

14 Gurney Benevolent Fund results

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

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| The income and expenses were: | | |
| Income from investments | 9,997 | 10,369 |
| Expenditure on raising funds | (2,148) | (2,037) |
| Net realised gains / (losses) on investments | - | - |
| Net unrealised gains / (losses) on investments | (4,054) | 40,979 |
| Transfer to general unrestricted fund | (10,267) | (10,579) |
| Net income for year | (6,472) | 38,732 |
| The assets and liabilities were: | | |
| Fixed asset investments | 378,634 | 382,688 |
| Current assets | 7,214 | 9,632 |
| Total net assets | 385,848 | 392,320 |
| Represented by: | | |
| Restricted funds | 385,848 | 392,320 |
| Total funds | 385,848 | 392,320 |

THE GURNEY FUND**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2022****15 Forces donations and collecting boxes**

| | | 2022 | <i>2021</i> |
|--------------|---|-------------------|---------------------|
| | | £ | <i>£</i> |
| Dorset | The Dorchester & Weymouth Police Ball via retired Inspector Les Fry | 609 | - |
| Dorset | Dorset Police Federation | - | <i>2,000</i> |
| Kent | Donation from a member of the public | - | <i>100</i> |
| Surrey | Fund collecting box | - | <i>142</i> |
| Warwickshire | Collection boxes | 135 | - |
| | | <u>744</u> | <i><u>2,242</u></i> |

16 Private donations

| | | 2022 | <i>2021</i> |
|--|--|---------------------|---------------------|
| | | £ | <i>£</i> |
| Anonymous | | 270 | <i>120</i> |
| British Transport Police | | - | <i>450</i> |
| Garth Doubleday Charitable Trust | | 700 | <i>1,200</i> |
| In memory of R Lawrence | | - | <i>260</i> |
| Just Giving | | 2,581 | - |
| Mr J Kidgell | | 23 | - |
| Mr K Gromett | | 60 | <i>55</i> |
| Mrs Lissie Harper in memory of PC Andrew Harper | | - | <i>2,500</i> |
| Mrs Louise Douglas - sale of tooth fairy bags | | 40 | - |
| Mr M Davies | | 100 | - |
| Mr M Helyar | | 120 | <i>120</i> |
| Mr Simon Stabb and Ms Sam Tyrell | | - | <i>300</i> |
| Mr Simon Stabb | | 250 | - |
| Mrs Susan Craggs | | 180 | <i>180</i> |
| Suggett Charitable Trust received via Charities Aid Foundation | | - | <i>125</i> |
| Paypal | | 314 | <i>223</i> |
| Virgin Money Giving | | 814 | <i>4,144</i> |
| In memory of Bernadette Simmons: Mr & Mrs Elder, Mr Brian Simmons and South Downs Funeral Service | | 395 | - |
| | | <u>5,847</u> | <i><u>9,677</u></i> |

17 Legacy income

Legacy income 2022: £5,000 (2021: £Nil).

18 Ultimate controlling party

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

Police Children's Fund

England & Wales - Charity number 1156903

Accounts

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

THE GURNEY FUND



TRUSTEES' REPORT AND AUDITED GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021



THE GURNEY FUND

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THE GURNEY FUND

LEGAL AND ADMINISTRATIVE DETAILS

The Gurney Fund is administered by:

Chairman P Upham Retired August 2020
T Packham Appointed Chairman August 2020

Treasurer D Richards

Managing Trustees and Directors O Abercrombie
J Apter
M Brunning
P Campbell Retired May 2021
J Carter-Lang Appointed August 2021
J Gilmer
L Hutson
S Johnson
P Land Retired May 2021
I Simmons Appointed November 2020
M Tyler Appointed November 2020
M Warnes Appointed August 2021

Fund Manager Miss C McNicol

Registered Office 9 Bath Road
Worthing
West Sussex
BN11 3NU
Tel: 01903 237256
Web Site: www.gurneyfund.org

Bankers Lloyds Bank Plc
41-43 South Street
Worthing
West Sussex
BN11 3AU

Chartered Accountants and Statutory Auditor Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Investment Managers Charles Stanley & Company Limited
Windsor House
6 - 10 Mount Ephraim House
Tunbridge Wells
Kent
TN1 1EE

Solicitor Appointment pending

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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

This report is being compiled whilst we are all still reeling from the effects of the global pandemic hopefully, by the time it is published, there will be a glimmer of light at the end of the tunnel.

Every effort has been made to ensure as little disruption as possible to the work of the Fund. Trustees' Meetings moved on-line and the office was equipped for remote working.

It was against this turbulent backdrop that I commenced my term as Fund Chairman in August 2020.

I would like to recognise and pay thanks for the outstanding service given to the Fund by the former Chairman, Mr Paul Upham, his wise counsel will be missed. On behalf of the Fund, I would like to wish him a long, healthy and happy retirement. I have big shoes to follow, and a lot to learn.

Going forward, I want to ensure that regular contact is maintained with all of our subscribing forces' local representatives. This will allow us to maximise our opportunities in identifying and supporting those children who need our assistance the most.

I am pleased to report that having recruited two new Trustees during the last year, the Board is now complete; I am grateful for their continued support and commitment.

We are looking forward to when the pandemic is well and truly behind us and we can re-start the activity and sailing holidays. I know the children love these events and longstanding friendships have been formed from them.

The following covers the Fund's financial year 1 April 2020 to 31 March 2021.

The Trustees present their report and the audited financial statements of the Charity for the year ended 31 March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and the financial statements of the Charity.

ESTABLISHMENT OF THE FUND

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Fund's Board is comprised of two ex-officio officers and ten serving police officers who are responsible for the administration of the charity. The ex-officio Trustees are the Chairman and Treasurer who are elected at a meeting of the Board of Trustees. The nominative Trustees comprise two members from the National Police Chiefs' Council (NPCC), appointed by the Chief Police Officers' Staff Association (CPOSA); two persons holding the Superintending rank, appointed from among the subscribing police forces by the Superintendents' Association and six people nominated from among the subscribing forces by the Police Federation of England & Wales, two from the Inspecting ranks, two holding the rank of Sergeant and two holding the rank of Constable. The Board meets at least four times a year at which five members constitute a quorum. Any matters at Board or General Meetings shall be determined by the majority of the votes of the members present.

Trustees' Training

To equip them with the information needed to fulfil their obligations new Trustees are issued with an Information Pack. In more normal times they attend an Induction Course which provides information on the Fund's structure & operation; their legal responsibilities & duties and current initiatives. Induction currently is being delivered virtually it is hoped to recommence these courses for new trustees in the not too distant future. Changes in legislation and Charity Commission Guidelines are circulated to all Trustees and discussed at Board Meetings.

Remuneration policy

The Group considers its key management personnel comprise the Trustees, Fund Manager and Fund Administrator. Trustees are not remunerated for their time but are reimbursed expenses. There is a Paying Employees Policy: pay is reviewed annually by the Fund's officers utilising Sussex Police Staff Pay Scales.

THE GURNEY FUND

**CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES
(INCLUDING THE DIRECTORS REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

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

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

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

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

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

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

The benefits of children of a parent who remarries cease automatically pending completion of an application form for consideration by the Trustees. Any awards made, albeit of a reduced amount, may be backdated to the date of the remarriage.

To date, more than 3,660 children have received assistance.

The Trustees carry out the Fund's objectives by:

- making weekly allowances, paid quarterly;
- awarding additional grants to assist with educational costs: the purchase of school uniform, sports kit, school activities, music tuition and instruments;
- awarding Christmas gifts to all beneficiaries in receipt of weekly allowances and those with whom contact is being maintained and;
- arranging holidays for beneficiaries.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

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

It is an established fact that an allowance from the Fund is a matter of bounty and not of right. All benefits are paid according to "need" and at the sole discretion of the Trustees.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Company number 08542702
Charity numbers 1156903 & 1156903-2

THE GURNEY FUND

FINANCIAL REVIEW

Contributions are derived from regular police subscriptions; donations from the police and members of the public; sale of police property under the Police Property Act 1987; police collecting boxes; Gift Aid donations and legacies. Further revenue is raised from the investment dividends and interest on the investment account at the bank.

Members of the following Forces contribute via the Give as You Earn scheme: Dorset, Dyfed-Powys, Essex, Gloucestershire, Leicestershire, Northamptonshire, South Wales, Suffolk, Thames Valley and Wiltshire.

A total of 241 beneficiaries were on the register at 31 March 2021 receiving allowances varying from £20 to £100 per week. Of the eight remarried parents, 13 dependent children were in receipt of allowances ranging from £25 to £80 per week.

During the year to 31 March 2021 52 children were added to the register.

There were 70 medically retired officers, supporting 128 children, receiving weekly grants varying from £20 to £100.

In addition to quarterly allowances totalling £553,711 and Christmas gifts £28,375 the Trustees awarded 331 grants, ranging from £16 to £2,000, totalling £74,137 for course related books and equipment, swimming lessons, sports and activities clubs, school bus fares and driving lessons. To assist with home schooling and pandemic disruption two grants of £100 per beneficiary were issued in June 2020 and March 2021.

The Annual Review identified 33 beneficiaries where "need" could no longer be established; the allowances for 15 beneficiaries were increased and 16 had their allowances reduced from 1 April 2021.

Where allowances from the Fund cease, because "need" can no longer be established, links with the families are maintained until the children complete their education. At 31 March 2021 contact was being maintained with 91 children who received Christmas gifts totalling £11,625. The £100 home schooling and pandemic disruption grants were also applied to these beneficiaries.

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

The Fund does not pay allowances to beneficiaries who go on to higher education it may, however, consider providing a contribution to assist with higher education expenses and grants towards the cost of books and ancillary equipment. Seventy five students were registered for higher, or continuing further, education at the end of the financial year and assistance totalling £132,931 was awarded during the course of the year and once again the pandemic disruption grants were issued.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Company number 08542702
Charity numbers 1156903 & 1156903-2

Fund Raising Standards

The charity recognises the vital contribution made by its supporters, with voluntary donations accounting for approximately 45% of the charity's incoming resources. Without this support it would not be possible for the charity to continue to undertake its current level of activity, which would have a devastating impact on the vulnerable people that we seek to care for.

We believe that giving to charity should be a positive experience, and to help ensure that this is the case the charity has put in place a policy that seeks to ensure that the highest possible standards of fundraising practice are being adopted. This policy acknowledges the damaging impact an excessively aggressive approach to fundraising can have on vulnerable people, whether from unreasonably persistent approaches being made or undue pressure to give being applied, and great care is undertaken to ensure that such practices are not adopted by the charity. All fundraising activity is monitored and administered by the Fund's Manager and Administrator; the charity does not utilise the services of any external commercial fundraisers. At this point, given that the majority of the charity's donations are from police force subscriptions, the Trustees do not consider it necessary to subscribe to a Fundraising Regulator.

The charity welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activities.

RESERVES POLICY

The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections.

The Trustees regularly review the level of reserves to ensure they are appropriate, taking into account projections of:

- (a) the number of subscribing officers;
- (b) the number of claimants;
- (c) the level of inflation;
- (d) income and capital growth yields available for the investment portfolio.

At the year end, the charity had total unrestricted funds of £8,327,093 (2020: £7,167,256). Free reserves, which are unrestricted funds less tangible fixed assets and designated funds, were £3,816,385 (2020: £4,327,168).

INVESTMENT POLICY

The Trustees have identified the need to invest for a balance of growth and income in order to maintain the level of reserves necessary to support both current and future beneficiaries. The portfolio is under the discretionary management of the Fund's Investment Manager: Charles Stanley & Co Limited.

INVESTMENT PERFORMANCE REVIEW

Mr Jon Curtis, Investment Manager, Charles Stanley reports that:

The last year has been one of enormous social change and economic upheaval due to the global pandemic. The UK experienced the largest economic contraction in 300 years and just as this was being experienced, discussion moved to what shape and how quickly any subsequent recovery would take. Regardless of this, the pandemic took longer to get under control than many optimists thought at the beginning in March 2020. This led to a polarised market, where technology companies fared extremely well, but unsurprisingly property and hospitality companies suffered horrendously. Despite all this market volatility, the main fund delivered a positive performance of 28.82% for the year to the end of March. Whilst this sounds impressive, context is everything and we must remember that the starting point was almost when markets were at their lowest as Covid was just starting to take hold. If we were to extend the comparison period to 14 months, then we see that the portfolio is back to where it was in early February 2020. Given the volatility in the interim period, we are relatively content with the overall performance as the portfolio total return has beaten all major benchmark indices.

Looking back, the portfolio's geographical diversity and asset allocation certainly helped over the last year, as not only were we underweight the UK, we avoided mostly the property, oil and commodities. This was especially important as the UK market had a high dividend yield, illustrated by BP and Royal Dutch Shell yielding over 6%, however, when global trade and travel collapsed both companies cut their dividends as the price of oil fell heavily too. Companies that had consistently high and repeatable earning streams suddenly had none and consequently share prices in the UK fell heavily. The FTSE 100 fell from 7000 to 5000, a drop of 28.5%. By comparison other global indices fared much better, illustrated by the NASDAQ and S&P 500 reaching all time highs, mainly due to their large bias to technology. Pleasingly, the portfolio had a very healthy weighting to the US and other markets which bounced back more quickly than the UK. Despite all the negative factors, in capital terms the portfolio has recently reached an all-time high of £8.1m

If we examine the portfolio's income we see that it fell from just over £200,000 to £155,000 over the course of the year, a fall of 22.7%. The FTSE 100 dividend pay out fell by 24% to levels last seen nine years ago. We expect to see dividends gradually recover over the next two years, assuming there are no more major Covid issues.

Over the last year, Brexit remained a sticking point, but Covid replaced it in the headlines. In January 2021, trade with the EU took a sharp downturn, but it was impossible to separate and identify the different effects of a customs union exit from those of Covid. Since January, trade has increased as businesses adapt and are finding ways to deal with the new trading relationship with the EU. It appears that the UK is looking more globally and will increase the diversity of its trading partners in the future.

As we emerge from lockdown, companies that benefitted from the stay at home requirement will be reassessed and investors will take profits. Companies that are on the recovery track will also be reviewed and given that overall, their share prices are still depressed we expect to see a re-rating of these resulting in improved values. The portfolio has a good exposure to these sectors already and we do not expect to see too much change in the coming few months.

In summary, the vaccination programme in the UK has undoubtedly aided the market recovery and investors are looking past the short-term effects of Covid lockdowns to the re-establishment of some form of normalcy. To echo our closing comments from last year, we do not believe that now is the right time to make fundamental changes to the portfolio as the effects of the pandemic will recede and more normal times will return.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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

GENERAL – THE GURNEY FUND

The Fund's Board meets four times a year to review applications and ensure that the needs of existing Fund families are met. With assistance from our advisers the meetings also provide an opportunity for Trustees to ensure that changes in legislation and recommendations from the Charity Commission are implemented.

Where an officer dies, whether it is on or off duty, Fund assistance applies automatically in most cases. With a medical retirement the officer is requested to complete an application form which goes to the Board of Trustees for consideration. If in any doubt as to whether a family should apply for assistance please contact the Fund Manager.

The pandemic impacted upon a number of Fund activities:

Board meetings moved on-line.

The tri-annual review of trustees' was postponed until the Spring of 2021.

In 2020 both the sailing and activity holidays had to be cancelled; it had been hoped to run the events in 2021 but, with regret, the decision was taken to postpone further events until 2022. With the delays it was agreed that a review of these events would be timely; Mrs Sarah Johnson from Gloucestershire volunteered to take the lead on this.

The Board also agreed that it was an appropriate time to review the Fund's media strategy. Mr Ollie Abercrombie from Devon & Cornwall, with support from Mr Martin Brunning, Cambridgeshire and Mr John Apter, Hampshire are working on this project.

As mentioned by Mr Apter in the Spring 2021 Newsletter the past 12 months have been difficult for everyone. We have all been affected in some way: some have lost loved ones, others have suffered from the effects of the virus; everyone has had to live with restrictions which have changed our way of living it has turned our lives upside down.

In recognition of the challenges faced by Fund families the Board approved payments of £100 to each beneficiary in June 2020 and March 2021 and, at the suggestion of the Treasurer, Mr Dave Richards, the counselling support of £500 per beneficiary was increased to £1,000.

SUBSCRIPTIONS AND DONATIONS

Fund subscriptions were last increased, from 10p to 20p per week, on 1 January 1989. The matter is reviewed regularly; when the need for an increase is identified the Fund's stakeholders will be consulted fully before any change is made.

Every subscription and donation received is much appreciated; a full list of donations is given at the end of the Report.

The Virgin Money Giving donation facility is proving popular and included donations raised by a Garden Walk and Miss Lucy Stoneley running 10 Miles with some interesting companions, see the report cover.

RISK REGISTER

As part of its on-going risk assessment and risk assessment management, the major risks to which the Fund is exposed are continually assessed and the findings reviewed by the Trustees. The Trustees are satisfied that appropriate measures are in place to mitigate the exposure to such risks.

Work on revising the Fund's Risk Register and producing a Business Continuity Plan was completed in November. Little did the Board realise at that point how soon use would be made of the plan. One positive outcome from the Covid situation is that the Fund's Business Continuity Plan stood up to being fully tested.

Safeguarding has been added to the Fund's Child Protection Policy. Ms Jill Loveridge, Foundation Stage Training Manager for Surrey Police, following an introduction from Trustee Mr Paul Campbell, reviewed the policy.

Ms Loveridge, through her role with Sea Cadets, is very experienced in this area and has agreed to assist with training for those involved with the holidays; collaboration on this will commence towards the end of 2021.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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

RETIREMENTS/RESIGNATIONS

The following changes to the Board occurred during the year ended 31 March 2021:

Chairman, Mr Paul Upham retired in August 2020; Mr Tim Packham from Essex took over the role. It sadly had to be a virtual goodbye to Mr Upham we wish him and his wife Geraldine a long and happy retirement.

Following promotion to Assistant Chief Constable, Hampshire Ms Lucy Hutson took up the Fund's long standing NPCC vacancy.

Mr Mark Tyler from Essex and Mr Ian Simmons from Cambridgeshire took up the vacancies created by Mr Packham and Ms Hutson's promotions.

Mr Oliver Abercrombie, Constables' representative from Devon & Cornwall took over the role of Vice-Chair in November 2020.

The Chairman and Board of Trustees' are most grateful for the support provided by the Chief Constables from subscribing forces and Ms Wendy Conway, MBE from the Police Superintendents' Association for their assistance with the NPCC and Superintending vacancies.

THANKS

The Trustees gratefully acknowledge and record warmest thanks to the following:

Chief Constables, Force Welfare Officers, Local Representatives and Federation Secretaries of the Fund's subscribing forces for their commendable assistance and all contributing members in supporting the Trustees in their endeavours to ensure that the welfare of the beneficiaries is maintained in every respect possible;

Our professional advisers: Mr Jon Curtis and Mrs Katie Presland, Charles Stanley & Co Limited and Mr Simon Webber, Kreston Reeves.

Lloyds Bank Plc and

Miss McNicol and Mrs Keywood who deal with the day to day work of the Fund and the Board.

WELFARE SERVICE

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

Through this service there is the opportunity to have a chat with someone totally independent of the police service. The conversations that take place are wide ranging and confidential. Whilst counselling is not available from Fund personnel sometimes just having a sympathetic ear to bounce a problem off helps put it into perspective. If a topic is raised with which the Fund is unable to assist every effort is made to point families in the direction of someone who can: Force, Federation or another charity.

As mentioned earlier support with the cost of counselling is now available to all beneficiaries currently registered with the Fund.

THE GURNEY FUND

CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES (INCLUDING THE DIRECTORS REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Company number 08542702
Charity numbers 1156903 & 1156903-2

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources, including the income and expenditure, of the charitable company for that period. In preparing financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2006, the Charity (Accounts Reports) Regulations 2008 and the Memorandum & Articles of Association. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

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

This report, which included the directors' report and strategic report, was approved by the Board on 5 August 2021 and signed on behalf of the Board by



Tim Packham
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

THE GURNEY FUND

FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The Gurney Fund (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the balance sheets, the Consolidated 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 group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year 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 Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

THE GURNEY FUND

FOR THE YEAR ENDED 31 MARCH 2021

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

THE GURNEY FUND

FOR THE YEAR ENDED 31 MARCH 2021

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, and employment law. 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 Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. 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: posting inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Confirmation of investment valuation and income to third party documentation.

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 Auditors' Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF

THE GURNEY FUND

FOR THE YEAR ENDED 31 MARCH 2021

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, reading "Kreston Reeves" followed by a stylized monogram "KR". The signature is written over a horizontal line that extends across the width of the text.

Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date

5th August 2021

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

THE GURNEY FUND

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

| | Note | Unrestricted funds | | | 2021 | 2020 |
|--|------|--------------------|------------------|-----------------|------------------|--------------------|
| | | General £ | Designated £ | Restricted | Total £ | Total £ |
| Income | | | | | | |
| Donations and legacies | 3 | 234,486 | - | - | 234,486 | 242,426 |
| Income from investments | | 161,528 | - | 10,369 | 171,897 | 233,014 |
| Total Income | | 396,014 | - | 10,369 | 406,383 | 475,440 |
| Expenditure | | | | | | |
| Raising funds - investment manager costs | | 40,711 | - | 2,037 | 42,748 | 46,276 |
| Charitable activities | 4 | 955,058 | - | - | 955,058 | 881,052 |
| Total expenditure | | 995,769 | - | 2,037 | 997,806 | 927,328 |
| Net realised gains/(loss) on investments | | 78,393 | - | - | 78,393 | 39,177 |
| Net unrealised gains/(loss) on investments | | - | 1,670,620 | 40,979 | 1,711,599 | (1,021,398) |
| Net income/(expenditure) | | (521,362) | 1,670,620 | 49,311 | 1,198,569 | (1,434,109) |
| Transfers between funds | | 10,579 | - | (10,579) | - | - |
| Net movement in funds | | (510,783) | 1,670,620 | 38,732 | 1,198,569 | (1,434,109) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 4,727,168 | 2,440,088 | 353,591 | 7,520,847 | 8,954,956 |
| Total funds carried forward | | 4,216,385 | 4,110,708 | 392,323 | 8,719,416 | 7,520,847 |

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

THE GURNEY FUND
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

Company number 08542702
Charity numbers 1156903 & 1156903-2

| | Notes | 2021 | | 2020 | |
|---|-------|-----------------|------------------|-----------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments at market value | 7 | | 8,133,916 | | 6,751,697 |
| | | | <u>8,533,916</u> | | <u>7,151,697</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 39,793 | | 48,640 | |
| Cash at bank and in hand | | 51,051 | | 25,986 | |
| Deposit accounts | | 102,811 | | 301,811 | |
| Stockbroker income account | | 12,419 | | 12,804 | |
| | | <u>206,074</u> | | <u>389,241</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(20,574)</u> | | <u>(20,091)</u> | |
| Net current assets | | | 185,500 | | 369,150 |
| Total assets less current liabilities | | | <u>8,719,416</u> | | <u>7,520,847</u> |
| Group funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 4,727,168 | | 5,138,310 | |
| Movement for the year | | (521,362) | | (423,282) | |
| Transfer between reserves | | 10,579 | | 12,140 | |
| Carried forward | | | 4,216,385 | | 4,727,168 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 2,440,088 | | 3,435,364 | |
| Movement for the year | | 1,670,620 | | (995,276) | |
| Carried forward | | | 4,110,708 | | 2,440,088 |
| Restricted funds the Gurney Benevolent Endowment | | | | | |
| Investment fund | | | | | |
| Brought forward | | 353,591 | | 381,282 | |
| Movement for the year | | 49,311 | | (15,551) | |
| Transfer between reserves | | (10,579) | | (12,140) | |
| Carried forward | | | 392,323 | | 353,591 |
| Total Group funds | | | <u>8,719,416</u> | | <u>7,520,847</u> |

The notes 1 to 18 form part of these accounts.

For the year ending 31 March 2021 the parent company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this parent company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the trustees and authorised for issue on 5.8.21 and signed on its behalf by


Tim Packham
Chairman

THE GURNEY FUND

CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

Company number 08542702
Charity number 1156903

| | Notes | 2021 | | 2020 | |
|--|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Freehold property | 6 | | 400,000 | | 400,000 |
| Investments | | | | | |
| Listed investments at market value | 7 | | 7,751,228 | | 6,409,988 |
| | | | <u>8,151,228</u> | | <u>6,809,988</u> |
| Current assets | | | | | |
| Sundry debtors | 8 | 39,793 | | 48,640 | |
| Cash at bank and in hand | | 51,051 | | 25,986 | |
| Deposit accounts | | 95,665 | | 292,628 | |
| Stockbroker income account | | 9,933 | | 10,108 | |
| | | <u>196,442</u> | | <u>377,362</u> | |
| Current liabilities | | | | | |
| Sundry creditors | 9 | <u>(20,574)</u> | | <u>(20,091)</u> | |
| Net current assets | | | 175,868 | | 357,271 |
| Total assets less current liabilities | | | <u>8,327,096</u> | | <u>7,167,259</u> |
| Charity funds: | | | | | |
| Unrestricted general funds | | | | | |
| General | | | | | |
| Brought forward | | 4,727,171 | | 5,138,313 | |
| Movement for the year | | <u>(510,783)</u> | | <u>(411,142)</u> | |
| Carried forward | | | 4,216,388 | | 4,727,171 |
| Unrestricted designated funds | | | | | |
| Investment fund | 10 | | | | |
| Brought forward | | 2,440,088 | | 3,435,364 | |
| Movement for the year | | <u>1,670,620</u> | | <u>(995,276)</u> | |
| Carried forward | | | 4,110,708 | | 2,440,088 |
| Total Charity funds | | | <u>8,327,096</u> | | <u>7,167,259</u> |

The notes 1 to 18 form part of these accounts.

For the year ending 31 March 2021 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the trustees and authorised for issue on 5.8.21 and signed on its behalf by



Tim Packham
Chairman

THE GURNEY FUND

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

| | Note | 2021 £ | 2020 £ |
|--|----------|------------------|----------------|
| Net cash outflow from operating activities | 1 | (582,093) | (459,994) |
| Net cash inflow from investing activities | 2 | 407,773 | 711,698 |
| Net (decrease)/increase in cash balances held | 3 | (174,320) | 251,704 |

| Cash and cash equivalents consists of: | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Cash at bank and in hand | 166,281 | 340,601 |
| Cash and cash equivalents at 31 March | 166,281 | 340,601 |

| Note 1 - Reconciliation of changes in resources to net inflow from operating activities | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Net income/(expenditure) for the year before other recognised gains and losses | (591,423) | (451,888) |
| Decrease/(increase) in debtors | 8,847 | (8,403) |
| Increase in creditors | 483 | 297 |
| Net cash outflow from operating activities | (582,093) | (459,994) |

| Note 2 - Net investment proceeds/(purchases) | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Payments to acquire shares | (381,923) | (517,849) |
| Receipts from sales of shares | 789,696 | 1,229,547 |
| Net cash inflow from investing activities | 407,773 | 711,698 |

Note 3 - Net decrease in cash balances held

| | Movement in year £ | 2021 £ | 2020 £ |
|----------------------------|--------------------------|----------------|----------------|
| Deposit accounts | (199,000) | 102,811 | 301,811 |
| Stockbroker income account | (385) | 12,419 | 12,804 |
| Current account and cash | 25,065 | 51,051 | 25,986 |
| | (174,320) | 166,281 | 340,601 |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2021

1 Principal accounting policies

Basis of preparation

The Gurney Fund Limited is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Consolidation

The Trustees of The Gurney Fund, as appointed and elected in accordance with its rules and constitution, are automatically appointed as the Trustees of the Gurney Benevolent Fund in accordance with its governing document. As a result the Trustees of The Gurney Fund also control the Gurney Benevolent Fund and manage the two charities on a unified basis. Accordingly these financial statements consolidate the results of The Gurney Fund (the "charity") and the Gurney Benevolent Fund on a line by line basis. A separate statement of financial activities and income and expenditure account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. Throughout the financial statements "Group" is used when referring to the consolidated results of both The Gurney Fund and the Gurney Benevolent Fund. "Charity" is used when referring to The Gurney Fund only.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Reserves

The group funds support their beneficiaries over long periods of up to 20 years, and in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term financial projections. Subscribing officers contribute by a fixed weekly sum and until an increase in this sum is requested there is no correlation between income from this source and inflationary effects on allowances to beneficiaries.

Within the charity a designated fund has been set-up to isolate any unrealised gains or losses on investments until they are realised upon disposal.

The restricted fund consists of a permanent endowment arising from the sale of certain investments and the sale proceeds of the Southern Provincial Police School and Orphanage. It is the Trustees intention going forward to maintain the level of the Gurney Benevolent Fund investment portfolio invested in the gilts market to at least a balance equal to the permanent endowment fund.

Freehold property

Freehold property is stated at deemed cost less accumulated depreciation and accumulated impairment losses. The Freehold property is currently held at residual value, such that no further depreciation is charged.

Capital expenditure

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Deferred income and expenditure

Deferred income and expenses relate to income and expenditure received or incurred in advance of trips arranged for the following summer.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Pension contributions

The fund contributes to a money purchase scheme on behalf of certain employees which are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of twelve months from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The majority of the charity's income has not been effected by the Covid-19 pandemic as police numbers did not fall. If, however, any unforeseen shortfalls should be caused by the pandemic, they will be covered by reserves and cost savings. With these considerations taking into account the impact of Covid-19 it is concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of trustees responsibilities.

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2021

2 Expenditure

| | 2021 | 2020 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Expenditure is stated after charging: | | |
| Auditor's remuneration: | | |
| Audit of the financial statements | 8,200 | 8,200 |
| Accountancy and other services | 1,880 | 4,785 |
| | <u>10,080</u> | <u>12,985</u> |

3 Donations and legacies

| | 2021 | 2020 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Forces subscriptions | 222,567 | 219,655 |
| Forces donations and collecting boxes | 15 2,242 | 2,099 |
| Private donations | 16 9,677 | 12,495 |
| Legacies | 17 - | 8,177 |
| | <u>234,486</u> | <u>242,426</u> |

4 Expenditure on charitable activities

| | 2021 | 2020 |
|-------------------------------------|----------------|----------------|
| | £ | £ |
| Allowances and grants to children | 772,402 | 675,459 |
| Activity holiday | 82 | 19,697 |
| Sailing holiday | 96 | 16,420 |
| Christmas gifts | 40,000 | 37,250 |
| Administration costs detailed below | 66,975 | 49,032 |
| Wages and salaries allocation | 5 64,571 | 62,721 |
| Trustees' expenses | 787 | 6,991 |
| Audit of the financial statements | 8,200 | 8,200 |
| Accountancy and other services | 1,880 | 4,785 |
| Legal and professional fees | 65 | 65 |
| | <u>955,058</u> | <u>880,620</u> |
| <u>Administration costs:</u> | | |
| Telephone and postage | 3,159 | 2,469 |
| Printing, stationery and marketing | 19,524 | 30,939 |
| Sundries | 91 | (148) |
| Rates and insurance | 4,309 | 4,271 |
| Lighting, heating and cleaning | 2,915 | 3,440 |
| Repairs, renewals and garden upkeep | 36,902 | 7,399 |
| Staff travel and training | 50 | 637 |
| | <u>66,975</u> | <u>49,032</u> |

Included in charitable activity costs above are governance costs totalling £10,932 (2020: £20,011). These costs include audit and accountancy, legal fees, and trustee meeting expenditure.

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2021

5 Staff costs

| Group and charity | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Gross salaries | 55,959 | 53,781 |
| Employers national insurance contributions | 1,302 | 2,040 |
| Pension scheme contributions | 7,310 | 6,900 |
| | <u>64,571</u> | <u>62,721</u> |

There were no related party transactions in the year except for the reimbursement of trustees' expenses. No remuneration was paid to Trustees in the year but expenses amounting to £92 (2020: £888) were reimbursed. These expenses related to reimbursed travel expenses and were paid to 1 trustee (2020: 6).

The average number of staff employed during the year was 2 (2020: 2).

Two staff members are entitled to pension contributions relating to a defined contribution pension scheme, there was £619 (2020: £588) of outstanding contributions at the year end (included within creditors). No employee receives employment benefits in excess of £60,000 p.a.

The group considers its key management personnel comprise the trustees, the fund manager and fund administrator. The total employment benefits including employer pension contributions of the key management personnel were £64,611 (2020: £62,721).

6 Freehold property

| Group and charity | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Cost at 1 April 2020 | 400,000 | 400,000 |
| Cost at 31 March 2021 | <u>400,000</u> | <u>400,000</u> |
| Historical cost (pre transfer on incorporation) | <u>6,451</u> | <u>6,451</u> |

The freehold property included above was recognised using a previous basis (valuation basis) valuation as a deemed cost on transition to SORP (FRS 102). The asset is being depreciated from the valuation date of 1 April 2015 and having a net book value of £400,000 (2020: £400,000). This is considered to be the residual value.

7 Investments: listed

Group

| | Total £ | Equity Holdings £ |
|-----------------------------|------------------|----------------------|
| Valuation at 1 April 2020 | 6,751,697 | 6,751,697 |
| Acquisitions | 381,923 | 381,923 |
| Disposals | (711,303) | (711,303) |
| Changes in unrealised gains | 1,711,599 | 1,711,599 |
| Valuation at 31 March 2021 | <u>8,133,916</u> | <u>8,133,916</u> |

Charity

| | Total £ | Equity Holdings £ |
|-----------------------------|------------------|----------------------|
| Valuation at 1 April 2020 | 6,409,988 | 6,409,988 |
| Acquisitions | 381,923 | 381,923 |
| Disposals | (711,303) | (711,303) |
| Changes in unrealised gains | 1,670,620 | 1,670,620 |
| Valuation at 31 March 2021 | <u>7,751,228</u> | <u>7,751,228</u> |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2021

| 8 Debtors | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---------------------------|--------------------|--------------------|----------------------|----------------------|
| Deferred expenses | 2,737 | 13,717 | 2,737 | 13,717 |
| Contributions from forces | 37,056 | 34,923 | 37,056 | 34,923 |
| | <u>39,793</u> | <u>48,640</u> | <u>39,793</u> | <u>48,640</u> |

| 9 Creditors | 2021 £ | 2020 £ |
|------------------------------|---------------|---------------|
| Group and charity | | |
| PAYE and NI | 1,246 | 1,285 |
| Other creditors and accruals | 19,328 | 18,806 |
| | <u>20,574</u> | <u>20,091</u> |

| 10 Designated funds | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Group and charity | | |
| Market value of investments at 31 March 2021 | 7,751,228 | 6,409,988 |
| Historical cost of investments | (3,640,520) | (3,969,900) |
| | <u>4,110,708</u> | <u>2,440,088</u> |

The Trustees believe it would not be prudent to consider unrealised gains on investments as being expendable as the gains or losses may differ materially from those which are subsequently realised.

When the market value of investments exceeds their historic cost the aggregate unrealised gain is credited to the designated fund. Where the market value of investments is less than their historic cost the aggregate unrealised loss remains within the general fund.

11 Income and expenditure - prior period

| | Unrestricted General funds £ | Unrestricted Designated funds £ | Restricted funds £ | 2020 Total funds £ |
|--------------------------------------|---------------------------------------|--|--------------------------|-----------------------------|
| Income | | | | |
| Donations and legacies | 242,426 | - | - | 242,426 |
| Income from investments | 220,373 | - | 12,641 | 233,014 |
| Total income | <u>462,799</u> | <u>-</u> | <u>12,641</u> | <u>475,440</u> |
| Expenditure | | | | |
| Expenditure on raising funds | 44,206 | - | 2,070 | 46,276 |
| Expenditure on charitable activities | 881,052 | - | - | 881,052 |
| Total expenditure | <u>925,258</u> | <u>-</u> | <u>2,070</u> | <u>927,328</u> |

THE GURNEY FUND

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2021

12 Analysis of group net assets by type of fund

| | Fixed Asset £ | Investments £ | Current Assets £ | Creditors £ | Total £ |
|---|---------------------|------------------|------------------------|-----------------|------------------|
| Unrestricted funds | 400,000 | 7,751,228 | 196,442 | (20,574) | 8,327,096 |
| Restricted fund - Gurney Benevolent Fund | - | 382,688 | 9,632 | - | 392,320 |
| | 400,000 | 8,133,916 | 206,074 | (20,574) | 8,719,416 |

13 Charity results

| | 2021 £ | 2020 £ |
|--|------------------|-------------|
| Income | 396,014 | 462,799 |
| Expenditure on raising funds | (40,711) | (44,207) |
| Expenditure on charitable activities | (955,058) | (881,052) |
| Realised gains on investments | 78,393 | 39,177 |
| Unrealised gains / (losses) on investments | 1,670,620 | (995,276) |
| Transfer from Gurney Benevolent Fund | 10,579 | 12,140 |
| Net income/(expenditure) | 1,159,837 | (1,406,419) |

14 Gurney Benevolent Fund results

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

| | 2021 £ | 2020 £ |
|--|-----------------|-----------|
| The income and expenses were: | | |
| Income from investments | 10,369 | 12,641 |
| Expenditure on raising funds | (2,037) | (2,070) |
| Net realised gains / (losses) on investments | - | - |
| Net unrealised gains / (losses) on investments | 40,979 | (26,122) |
| Transfer to general unrestricted fund | (10,579) | (12,140) |
| Net income for year | 38,732 | (27,691) |

The assets and liabilities were:

| | | |
|-------------------------|----------------|---------|
| Fixed asset investments | 382,688 | 341,709 |
| Current assets | 9,632 | 11,881 |
| Total net assets | 392,320 | 353,590 |
| Represented by: | | |
| Restricted funds | 392,320 | 353,590 |
| Total funds | 392,320 | 353,590 |

THE GURNEY FUND

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 MARCH 2021**

15 Forces donations and collecting boxes

| | | 2021 | <i>2020</i> |
|------------------|---|---------------------|---------------------|
| | | £ | <i>£</i> |
| Devon & Cornwall | Raised by an officer who completed a half-marathon but wishes to remain anonymous | - | <i>250</i> |
| Dorset | Dorset Police Federation | 2,000 | - |
| Hampshire | Anonymous | - | <i>24</i> |
| Hampshire | Sailing and Activity Holiday pocket money | - | <i>1,000</i> |
| Hampshire | Winchester Police Golf Society | - | <i>562</i> |
| Kent | Donation from a member of the public | 100 | - |
| Leicestershire | Chief Constable's Awards Evening | - | <i>104</i> |
| Leicestershire | Mrs Kathy Robinson, Deputy Lieutenant, Rutland County Council | - | <i>100</i> |
| Surrey | Fund collecting box | 142 | - |
| Warwickshire | Collection boxes | - | <i>59</i> |
| | | <u>2,242</u> | <i><u>2,099</u></i> |

16 Private donations

| | | 2021 | <i>2020</i> |
|---|--|---------------------|----------------------|
| | | £ | <i>£</i> |
| Anonymous | | 120 | - |
| British Transport Police | | 450 | - |
| BT Mydonate | | - | <i>89</i> |
| Garth Doubleday Charitable Trust | | 1,200 | <i>800</i> |
| Hearing Star in association with NARPO | | - | <i>1,000</i> |
| In memory of Terry Rees Deceased: retired sergeant Gwent & South Wales Police | | - | <i>198</i> |
| In memory of R Lawrence | | 260 | - |
| Mr C Groome | | - | <i>70</i> |
| Mr K Gromett | | 55 | <i>60</i> |
| Mrs Lissie Harper in memory of PC Andrew Harper | | 2,500 | - |
| Mr M Helyar | | 120 | <i>120</i> |
| Mr Simon Stabb and Ms Sam Tyrell | | 300 | - |
| Mrs Susan Craggs | | 180 | <i>180</i> |
| Mrs T Plumridge | | - | <i>17</i> |
| Mr T Broadfoot | | - | <i>100</i> |
| Suggett Charitable Trust received via Charities Aid Foundation | | 125 | - |
| Paypal | | 223 | <i>2</i> |
| Rotary Club of Radlett, St Albans Royal Marine Band Charity Concert | | - | <i>200</i> |
| Virgin Money Giving | | 4,144 | <i>9,659</i> |
| | | <u>9,677</u> | <i><u>12,495</u></i> |

17 Legacy income

Legacy income 2021: £Nil (2020: £8,177).

18 Ultimate controlling party

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