

METROPOLITAN POLICE COMMISSIONERS FUND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

METROPOLITAN POLICE COMMISSIONERS FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Responsibilities Of The Trustees	Mark Rowley	Commissioner of the Metropolis
	Lynne Owens	Deputy Commissioner of the Metropolitan Police
	Barbara Gray	Assistant Commissioner Professionalism
	Matt Twist	Assistant Commissioner Met Operations
Treasurer	Mr J Morgan	Senior Accountant, MPS
Secretary	Miss N Raj	Charities Accountant, MPS
Charity registration number	233463	
Registered office and Operational address	MPS Charities Section 2nd Floor (South) Kilburn Police Station 38 Salusbury Road London NW6 6LT	
Independent examiner	Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG	
Bankers	Lloyds Pall Mall, St James Branch 8/10 Waterloo Place London SW1Y 4BE	
Solicitors	Bircham Dyson Bell 50 Broadway London SW1H 0BL	
Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA	
	Black Rock Investment Managers PO Box 9036 Chelmsford CM99 2XD	

METROPOLITAN POLICE COMMISSIONERS FUND

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METROPOLITAN POLICE COMMISSIONERS FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees have pleasure in presenting the Annual Report of the Metropolitan Police Commissioner's Fund ("the Charity") for the year ended 31 December 2022.

Structure, Governance and Management

Governing Document

The charity's governing document is a declaration of Trust dated 29 October 1935. The Declaration of Trust provided a permanent endowment from stocks and cash from 1st Viscount Hugh Montague Trenchard the Commissioner of the Metropolitan Police at that time.

The charity has no property or employees.

Appointment of Trustees

In 2012 a resolution was passed by the Commissioner and Deputy Commissioner to increase the number of Trustees from three to four. The power of amendment is clause 12 of the governing document. The replacement for clause seven now reads:

"The Trustees shall be four in number and shall consist of the following persons that is to say:

(1) The Commissioner of Police of the Metropolis for the time being plus three members of the Management Board as nominated by the Commissioner."

Public Benefit

The Trustees confirm that they have complied with their duty to have regard to the guidance on public benefit published by the charity commission in exercising their powers and duties.

Trustees Induction

Each new Trustee is a volunteer, appointed in accordance with the provisions of the charity's governing document and is:

a) Invited to sign an "Appointment as Trustee and Declaration of Eligibility" form.

And provided with:

a) A copy of the charity's Governing Documents

b) A copy of the latest audited accounts

c) Charity Commission Booklet CC3 "The Essential Trustee. What you need to know"

d) Charity Commission Leaflet CC3 (a) "Responsibility of Charity Trustees. A Summary"

Management

Members of MPS staff represent "donated services" and administer the charity on behalf of the Trustees. All grants awarded need to be supported by a minimum of two Trustees. Payments are made via a dual authorisation process from a list of authorised finance staff.

Exposure to risk

The Trustees are confident that there are no major risks to which the charity is exposed that have not already been mitigated against. All new Trustees have signed the "Appointment as Trustee and Declaration of Eligibility" form to declare not only their acceptance in becoming a Trustee, but also to declare that he/she knows of no legal reason why he/she should be disbarred from acting as a Trustee.

METROPOLITAN POLICE COMMISSIONERS FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities

The charity aims to benefit a section of the public, who are Metropolitan Police Service (MPS) police officers, members of the police staff and both their dependants and former members of the MPS and their dependants as set out in the Declaration of Trust:-

- By promoting efficiency and well-being by supporting sporting and recreational activities
- By supporting other charities which are to the benefit of members, past members and their dependants.
- By supporting members or past members of the Metropolitan Police Service in any way as the Trustees see fit provided that it shall be wholly charitable.

The Responsibilities of the Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The above objectives are achieved by providing financial assistance by way of grants. During 2022 grants of £19,551 (2021: £10,741) were provided and are detailed at Figure 1 below. Other expenditure relates to overheads and governance costs.

Applications for financial assistance from police officers, members of the police staff and both their dependants and former members of the MPS and their dependants are reviewed initially by the Secretary of the charity who ensures each case falls within the objects. Following examination the Secretary makes a recommendation to the Trustees who decide whether assistance is given.

Awards made in 2022

During the year 19 applications for assistance were approved with a total value of £19,551 (compared to 9 with a total value of £10,741 in the previous year). The number of applications varies each year and an increase in applications does not always result in an increase of expenditure, though it has this year. Figure 2 shows the amount of grant requests received and funds awarded for the previous six years.

Figure 1 - Grants awarded in 2022

	£
Contribution towards the cost of Borough organised Christmas parties or summer outings for widows and widowers of police officers	7,797
Grants to offer support to officers and their families	8,754
Hosanna House & Children's Pilgrimage Trust	3,000
Total of awards given	19,551

METROPOLITAN POLICE COMMISSIONERS FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Figure 2 – Breakdown of grant expenditure from 2017 to 2022

Year	Number of applications	£
2022	19	19,551
2021	9	10,741
2020	10	18,862
2019	13	26,186
2018	9	16,158
2017	13	16,633

Financial review

The value of the fund from 31 December 2021 to 31 December 2022 is shown in Figure 3 below. There were net outgoing resources for the year of £25,614 after unrealised losses on investments of £61,424.

Figure 3 – Financial summary

	2022 £	2021 £
Income	61,078	17,970
Expenditure	(25,268)	(15,223)
Net incoming/(outgoing) resources before investments	35,810	2,747
Fixed Assets (investments)	614,508	675,930
Net Current Assets	90,844	55,036
Net Assets/Fund Balance	705,352	730,966

The Trustees have reviewed the reserves policy and are content with the current investment strategy which is reported on later in the financial statement. The liquid current assets are £93,957 of which £69,698 is in the current account for instant access, £13,073 is in the Treasurer's account and £11,186 in the CCLA Investments COIF account, which can be accessed with two days' notice. The Trustees are content that the charity is a going concern.

METROPOLITAN POLICE COMMISSIONERS FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

To ensure the investments were diverse, units were originally purchased in the following investment Funds:

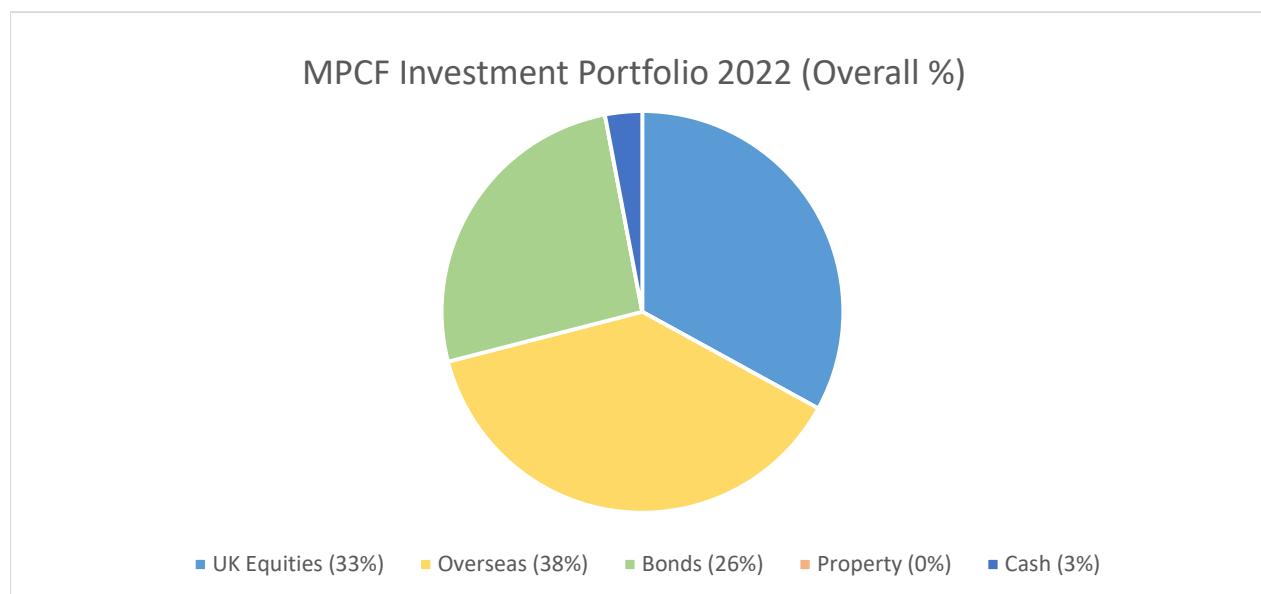
- Newton Global Growth & Income Fund for Charities
- Black Rock Charinco Income Fund

By investing in these two Funds the charity was able to secure a portfolio that favours equities over bonds. This provides security against short term trends in the markets and allows for long term capital gain. The chart below highlights the sector spread of the investments.

Newton Global Growth & Income Fund for Charities - is a balanced fund designed to achieve long term capital growth and a reasonable income. The target minimum yield is 3% p.a.

BlackRock Charinco Fund - aims to provide a high level of income from a professionally managed portfolio of fixed interest securities. It invests predominantly in UK Government (gilt-edged) and corporate fixed interest securities.

Figure 4 – Investment portfolio diversity



The overall value of the investments decreased by £61,422 in 2022 to £614,508. The investment is made up of both permanent endowment and unrestricted units. No units were purchased or sold in the year.

METROPOLITAN POLICE COMMISSIONERS FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Figure 5 - Total value of the investments as at 31 December 2022

Investment		Number of Units	2022 £	2021 £
Newton Global Growth & Income Fund for Charities	Permanent Endowment	329,288	514,547	554,850
	Unrestricted	16,700	26,095	28,140
	TOTAL	345,988	540,642	582,990
Black Rock Charinco Income Fund	Permanent Endowment	49,570	72,372	91,060
	Unrestricted	1,023	1,494	1,880
	TOTAL	50,593	73,866	92,940
OVERALL	Permanent Endowment		586,919	645,910
	Unrestricted		27,589	30,020
	TOTAL		614,508	675,930

Future Aims and Objectives

The Trustees are committed to carrying out the objects of the charity to the best of their abilities for the future year.

Governing Document

The charity's governing document is a declaration of Trust dated 29 October 1935. The Declaration of Trust provided a permanent endowment from stocks and cash from 1st Viscount Hugh Montague Trenchard the Commissioner of the Metropolitan Police at that time.

The charity has no property or employees.

Trustees Induction

Each new Trustee is a volunteer, appointed in accordance with the provisions of the charity's governing document and is:

a) Invited to sign an "Appointment as Trustee and Declaration of Eligibility" form.

And provided with:

- a) A copy of the charity's Governing Documents
- b) A copy of the latest audited accounts
- c) Charity Commission Booklet CC3 "The Essential Trustee. What you need to know"
- d) Charity Commission Leaflet CC3 (a) "Responsibility of Charity Trustees. A Summary"

The trustees' report was approved by the Board of Responsibilities Of The Trustees.

Matt Twist

Trustee

Dated: 20 October 2023

METROPOLITAN POLICE COMMISSIONERS FUND

INDEPENDENT EXAMINER'S REPORT

TO THE RESPONSIBILITIES OF THE TRUSTEES OF METROPOLITAN POLICE COMMISSIONERS FUND

I report to the Responsibilities of the Trustees on my examination of the financial statements of Metropolitan Police Commissioners Fund (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the Responsibilities of the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Paul Davis FCA
Bright Grahame Murray

Emperor's Gate
114a Cromwell Road
Kensington
London
SW7 4AG

Dated: 3 November 2023

METROPOLITAN POLICE COMMISSIONERS FUND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted	Permanent	Total	Total
	Notes	funds	endowment	2022	2021
		£	£	£	£
Income from:					
Donations and legacies	2	44,024	-	44,024	686
Charitable activities	3	2,449	-	2,449	2,371
Investments	4	753	13,852	14,605	14,913
Total income and endowments		47,226	13,852	61,078	17,970
Expenditure on:					
Charitable activities	5	25,268	-	25,268	15,223
Net gains/(losses) on investments	10	(2,431)	(58,993)	(61,424)	73,471
Net incoming/(outgoing) resources before transfers		19,527	(45,141)	(25,614)	76,218
Gross transfers between funds		13,852	(13,852)	-	-
Net movement in funds		33,379	(58,993)	(25,614)	76,218
Fund balances at 1 January 2022		85,056	645,910	730,966	654,748
Fund balances at 31 December 2022		118,435	586,917	705,352	730,966

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

All income and expenditure derive from continuing activities.

METROPOLITAN POLICE COMMISSIONERS FUND

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments	12		614,508		675,930
Current assets					
Debtors	13	1,987		2,622	
Cash at bank and in hand		93,957		59,854	
		<u>95,944</u>		<u>62,476</u>	
Creditors: amounts falling due within one year	14	<u>(5,100)</u>		<u>(7,440)</u>	
Net current assets			90,844		55,036
Total assets less current liabilities			<u>705,352</u>		<u>730,966</u>
Capital funds					
Permanent endowment			586,917		645,910
Income funds					
Unrestricted funds			118,435		85,056
			<u>705,352</u>		<u>730,966</u>

The accounts were approved by the Responsibilities Of The Trustees on 20 October 2023

Matt Twist
Trustee

James Morgan
Treasurer

METROPOLITAN POLICE COMMISSIONERS FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investment markets.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Responsibilities of the Trustees in furtherance of their charitable objectives.

Permanent endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Any income arising on the Permanent Endowment is credited to unrestricted funds.

1.4 Incoming resources

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

Donations receivable

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Donated services

The administration and operation of the fund is carried out by members of the MPS Finance Services' Charities and Special Payments Section.

An appropriate element of the salary cost of those individuals, together with their accommodation and overhead costs, is reflected within the Statement of Financial Activities.

Investment income

Dividends and interest receivable are included at their gross amounts.

METROPOLITAN POLICE COMMISSIONERS FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Resources expended

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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable object of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or amount of grant payable.

Governance costs

Governance costs include the costs of governance arrangements that relate to the general running of the charity. These activities provide the governance infrastructure that allows the charity to operate and to generate the information required for public accountability.

1.6 Fixed asset investments

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

1.7 Cash and cash equivalents

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

2 Donations and legacies

	2022	2021
	£	£
Donations receivable	44,024	686

3 Charitable activities

	2022	2021
	£	£
Donated services	2,449	2,371

METROPOLITAN POLICE COMMISSIONERS FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Income from listed investments	613	13,852	14,465	634	14,273	14,907
Interest receivable	140	-	140	6	-	6
	<u>753</u>	<u>13,852</u>	<u>14,605</u>	<u>640</u>	<u>14,273</u>	<u>14,913</u>

METROPOLITAN POLICE COMMISSIONERS FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Charitable activities

	2022 £	2021 £
Grant funding of activities (see note 6)	19,551	10,741
Share of support costs (see note 7)	2,449	2,371
Share of governance costs (see note 7)	3,268	2,111
	<u>25,268</u>	<u>15,223</u>

6 Grants payable

In total 19 (2021: 9 grants) were made during the year. XX grants (2021: 8) were made to an individual. XX grants (2021: 1) were made to institutions.

Grants made in 2022 are detailed in Figure 1 in the Trustees' Report.

7 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Staff costs	1,981	-	1,981	1,903	-	1,903
Accommodation costs (rent, rates, etc.)	265	-	265	265	-	265
Office costs	203	-	203	203	-	203
Indemnity Insurance	-	1,708	1,708	-	1,211	1,211
Independent Examiner's fees	-	1,500	1,500	-	900	900
Governance costs heading 2	-	60	60	-	-	-
	<u>2,449</u>	<u>3,268</u>	<u>5,717</u>	<u>2,371</u>	<u>2,111</u>	<u>4,482</u>
Analysed between Charitable activities	<u>2,449</u>	<u>3,268</u>	<u>5,717</u>	<u>2,371</u>	<u>2,111</u>	<u>4,482</u>

Governance costs includes payments to the Independent Examiner of £1,500.

Staff, accommodation and office costs are allocated on a time spent basis.

8 Responsibilities Of The Trustees

None of the Responsibilities of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

METROPOLITAN POLICE COMMISSIONERS FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

9 Employees

There were no employees during the year.

10 Net gains/(losses) on investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Revaluation of investments	(2,431)	(58,993)	(61,424)	3,735	69,736	73,471
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

METROPOLITAN POLICE COMMISSIONERS FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	675,930
Valuation changes	(61,422)
	<hr/>
At 31 December 2022	614,508
	<hr/>
Carrying amount	
At 31 December 2022	614,508
	<hr/>
At 31 December 2021	675,930
	<hr/>

	2022 £	2021 £
Newton Global Growth and Income Fund for Charities (345,988 units) [2021: 345,988 units]	540,642	582,990
Charinco Common Investment Fund (50,593 units [2021: 50,593 units])	73,866	92,940
	<hr/>	<hr/>
	614,508	675,930
	<hr/>	<hr/>

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	1,987	2,622
	<hr/>	<hr/>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	3,000	5,640
Accruals and deferred income	2,100	1,800
	<hr/>	<hr/>
	5,100	7,440
	<hr/>	<hr/>

METROPOLITAN POLICE COMMISSIONERS FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Analysis of net assets between funds

	Unrestricted Funds £	Permanent Endowment £	Total £
Fund balances at 31 December 2022 are represented by:			
Investments	27,591	586,917	614,508
Current assets/(liabilities)	90,844	-	90,844
	<hr/>	<hr/>	<hr/>
	118,435	586,917	705,352
	<hr/>	<hr/>	<hr/>