
**Report of the Directors and
Financial Statements for the Year Ended 31 March 2018**

for

**The Association Of Police And Crime
Commissioners**

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for the year ended 31 March 2018**

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Company Information
for the year ended 31 March 2018

DIRECTORS:

S D Duckworth
Mrs J R Mulligan
M Burns-Williamson
D E Lloyd
M J Surl
O A Jones
J H Cuthbert

SECRETARY:

S M Hancock

REGISTERED OFFICE:

5-8 The Sanctuary
The Sanctuary
London
SW1P 3JS

REGISTERED NUMBER:

05214716 (England and Wales)

AUDITORS:

Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
Charles Lake House
Claire Causeway
Crossways Business Park
Dartford
Kent
DA2 6QA

**Report of the Directors
for the year ended 31 March 2018**

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

PRINCIPAL ACTIVITY

The Association of Police and Crime Commissioners (APCC) is the national body that supports Police and Crime Commissioners (PCCs) and other local policing bodies. The APCC offers the following services to its members:

- Information on national policing policy issues and legislation.
- Consults with members to enable them to develop policy positions and to influence change.
- Facilitates the leadership of its members on national governance structures such as the College of Policing, National Crime Agency and Police Professional Bodies.
- Assists its members in collaborating to share best practice and identify ways to achieve efficiencies through working together.

Membership of the Association is by subscription. Full members include: All Police and Crime Commissioners in England and Wales, Police Fire and Crime Commissioners, The Deputy Mayors for Policing and Crime in London and Manchester, British Transport Police and the City of London Police Committee. Associate (non-voting) members are Jersey Police Authority and Ministry of Defence Police Committee.

The Association is supported by a small, focused team of policy and communication professionals with a wide range of experience of representing the interests of local police governance bodies at a national level.

The Association has maintained constructive relationships with other key players in the policing and criminal justice fields, such as the Home Office, Ministry of Justice, College of Policing, National Crime Agency, NPCC, Blue Light Services, Staff Associations and Unions, IOPC and HMICFRS.

DIRECTORS

Directors

The following directors have held office since July 19th, 2017 AGM:

- David Lloyd (Chair)
- Julia Mulligan
- Jeff Cuthbert
- Mark Burns-Williamson
- Simon Duckworth
- Martin Surl
- Dafydd Llywelyn stepped off the Board in January 2018 and was replaced by Arfon Jones.

The Board of Directors is elected annually, with the Chair rotating on an annual basis. The Board provides strategic direction to the work of the Association; represents the Association in negotiations with government, NPCC and other bodies; and has power to take executive decisions on urgent matters.

Directors Interests

The company is limited by guarantee and as such has no issued share capital. The liability of each member in the event of winding up is limited to £1.

APCC General Meetings

The main business of the Association is conducted at General Meetings, which takes place at least four times a year.

CHARITABLE DONATION

During the year the company has made charitable donations amounting to £5,000 (2017: £Nil).

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the year ended 31 March 2018

AUDITORS

The auditors, Barnes Roffe LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and within FRS 102 Section 1A Small Entities

ON BEHALF OF THE BOARD:



.....
D E Lloyd - Director

Date: 18/7/2018.....

**Statement of Directors' Responsibilities
for the year ended 31 March 2018**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of The Association Of Police And Crime Commissioners (the 'company') for the year ended 31 March 2018 on pages seven to fourteen. 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 company's affairs as at 31 March 2018 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors and the Statement of Directors' Responsibilities, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors 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 directors determine 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

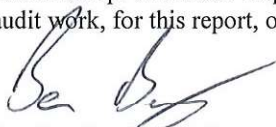
Our responsibilities for the audit of the financial statements

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

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

Use of our report

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



Ben Bradley (Senior Statutory Auditor)
for and on behalf of Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
Charles Lake House
Claire Causeway
Crossways Business Park
Dartford
Kent
DA2 6QA

Date: 16/08/2018

The Association Of Police And Crime
Commissioners

Income Statement
for the year ended 31 March 2018

	Notes	2018 £	2017 £
TURNOVER		1,921,115	1,544,191
Cost of sales		<u>(238,040)</u>	<u>(148,535)</u>
GROSS SURPLUS		1,683,075	1,395,656
Administrative expenses		<u>(1,816,994)</u>	<u>(1,468,516)</u>
OPERATING DEFICIT	3	(133,919)	(72,860)
Loss on disposal of tangible fixed assets	4	<u>-</u>	<u>(10,535)</u>
		(133,919)	(83,395)
Interest receivable and similar income	5	<u>196</u>	<u>2,461</u>
		(133,723)	(80,934)
Other finance costs	12	<u>(16,000)</u>	<u>(16,000)</u>
DEFICIT BEFORE TAXATION		(149,723)	(96,934)
Tax on deficit	6	<u>-</u>	<u>-</u>
DEFICIT FOR THE FINANCIAL YEAR		<u>(149,723)</u>	<u>(96,934)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Actuarial gain /(loss) on defined benefit pension scheme		66,000	(228,000)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(83,273)</u>	<u>(321,934)</u>

The notes form part of these financial statements

Balance Sheet
31 March 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	7	29,436	50,607
CURRENT ASSETS			
Debtors	8	689,200	515,229
Cash at bank		<u>440,386</u>	<u>588,839</u>
		1,129,586	1,104,068
CREDITORS			
Amounts falling due within one year	9	<u>(225,997)</u>	<u>(192,927)</u>
NET CURRENT ASSETS			
		<u>903,589</u>	<u>911,141</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		933,025	961,748
PENSION LIABILITY			
	12	<u>(781,000)</u>	<u>(726,000)</u>
NET ASSETS			
		<u>152,025</u>	<u>235,748</u>
RESERVES			
Other reserves	11	(781,000)	(726,000)
Income and expenditure account	11	<u>933,025</u>	<u>961,748</u>
		<u>152,025</u>	<u>235,748</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 17/8/2018..... and were signed on its behalf by:


.....
D E Lloyd - Director

Notes to the Financial Statements
for the year ended 31 March 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Income represents subscriptions, grants, sponsorship and other contributions and are accounted for when the company is entitled to receipt, the revenue can be measured reliably and it is probable that the company will receive the consideration due.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold improvements	- over the period of the lease
Computer equipment	- over a period of 3 years
Fixtures, fittings and equipment	- over a period of 5 years

Assets specifically utilised for the Police Reform project are depreciated over the life of the project which was estimated to be a 1 year period.

Fixtures and fittings	- over a period of 1 year
Computer equipment	- over a period of 1 year

Pension costs and other post-retirement benefits

The company operates a defined benefit plan. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed in other comprehensive income.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- (a) the increase in pension benefit liability arising from employee service during the period; and
- (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'finance expense / income'.

Notes to the Financial Statements - continued
for the year ended 31 March 2018

1. ACCOUNTING POLICIES - continued

Operating leases

Rentals under operating leases are charged to the income statement on a straight line basis over the lease term.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 16 (2017 - 12).

	2018	2017
	£	£
Directors' remuneration	<u>8,000</u>	<u>8,000</u>

3. OPERATING DEFICIT

The operating deficit is stated after charging:

	2018	2017
	£	£
Depreciation - owned assets	26,522	22,046
Auditors' remuneration	4,950	4,800
Pension costs	<u>185,448</u>	<u>95,299</u>

4. EXCEPTIONAL ITEMS

	2018	2017
	£	£
Loss on disposal of tangible fixed assets	<u>-</u>	<u>(10,535)</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2018	2017
	£	£
Deposit account interest	<u>196</u>	<u>2,461</u>

6. TAXATION

The company is limited by guarantee, without share capital, and, as a local authority association has been treated as exempt from taxation under section 519 ICTA 1988.

Notes to the Financial Statements - continued
for the year ended 31 March 2018

7. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2017	17,212	76,321	93,533
Additions	<u>-</u>	<u>5,351</u>	<u>5,351</u>
At 31 March 2018	<u>17,212</u>	<u>81,672</u>	<u>98,884</u>
DEPRECIATION			
At 1 April 2017	287	42,639	42,926
Charge for year	<u>3,442</u>	<u>23,080</u>	<u>26,522</u>
At 31 March 2018	<u>3,729</u>	<u>65,719</u>	<u>69,448</u>
NET BOOK VALUE			
At 31 March 2018	<u>13,483</u>	<u>15,953</u>	<u>29,436</u>
At 31 March 2017	<u>16,925</u>	<u>33,682</u>	<u>50,607</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	114,780	-
Other debtors, prepayments and accrued income	<u>574,420</u>	<u>515,229</u>
	<u>689,200</u>	<u>515,229</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	140,126	51,913
Taxation and social security	46,093	36,390
Other creditors	<u>39,778</u>	<u>104,624</u>
	<u>225,997</u>	<u>192,927</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	55,085	60,093
Between one and five years	<u>-</u>	<u>55,085</u>
	<u>55,085</u>	<u>115,178</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2018

11. RESERVES

	Income and expenditure account £	Other reserves £	Totals £
At 1 April 2017	961,748	(726,000)	235,748
Deficit for year	(149,723)	-	(149,723)
Actuarial gains or losses on pension scheme assets	66,000	-	66,000
Transfer between profit and loss reserve and pension scheme reserve	55,000	(55,000)	-
At 31 March 2018	<u>933,025</u>	<u>(781,000)</u>	<u>152,025</u>

A reserve has been recognised that is equal to the estimated deficit on the pension scheme.

12. EMPLOYEE BENEFIT OBLIGATIONS

The employees of the company are entitled to membership of the Merseyside Defined Benefit Pension Scheme. The most recent full actuarial valuation was on 31 March 2016 and was carried out by a qualified independent actuary.

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2018 £	2017 £
Current service cost	213,000	88,000
Net interest cost	16,000	16,000
Past service cost	-	-
Administration Expenses	<u>4,000</u>	<u>2,000</u>
	<u>233,000</u>	<u>106,000</u>
Actual return on plan assets	<u>38,000</u>	<u>317,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2018 £	2017 £
Opening defined benefit obligation	2,512,000	1,930,000
Current service cost	213,000	88,000
Contributions by scheme participants	60,000	41,000
Interest cost	64,000	72,000
Actuarial losses/(gains)	(76,000)	385,000
Benefits/transfers paid	<u>(18,000)</u>	<u>(4,000)</u>
	<u>2,755,000</u>	<u>2,512,000</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2018

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Opening fair value of scheme assets	1,786,000	1,477,000
Contributions by employer	112,000	61,000
Contributions by scheme participants	60,000	41,000
Interest Income	48,000	56,000
Actuarial gains/(losses)	(10,000)	157,000
Benefits/transfers paid	(18,000)	(4,000)
Administration expenses	(4,000)	(2,000)
	<u>1,974,000</u>	<u>1,786,000</u>

	Defined benefit pension plans	
	2018	2017
	£	£
Actuarial gains/(losses) on pension scheme	<u>66,000</u>	<u>(228,000)</u>
	<u>66,000</u>	<u>(228,000)</u>

The amounts recognised in the balance sheet are as follows:

	2018	2017
	£	£
Fair value of plan assets	1,974,000	1,786,000
Fair value of plan liabilities	<u>(2,755,000)</u>	<u>(2,512,000)</u>
	<u>(781,000)</u>	<u>(726,000)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Equities	833,000	957,000
Government Bonds	132,000	71,000
Other Bonds	460,000	204,000
Property	140,000	139,000
Cash/liquidity	99,000	61,000
Other	<u>310,000</u>	<u>354,000</u>
	<u>1,974,000</u>	<u>1,786,000</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2018

12. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate	2.70%	2.60%
Future salary increases	3.60%	3.70%
Future pension increases	2.20%	2.20%
CPI inflation	2.10%	2.20%

13. **RELATED PARTY DISCLOSURES**

In accordance with FRS 102, police authorities that have a member on the Board of Directors are considered related parties. Subscriptions paid by these authorities are on standard business terms and conducted at arm's length.