

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**COMPANY INFORMATION**

---

<b>Directors</b>	K E Bourne R C Hirst (resigned 30 November 2022) M S Jones A Hernandez D E Lloyd C K McGuinness A E Michael J M D Thomson
<b>Company secretary</b>	Phillip Golding (appointed 31 October 2022) Susannah Hancock (resigned 31 July 2022)
<b>Registered number</b>	05214716
<b>Registered office</b>	5-8 The Sanctuary The Sanctuary London SW1P 3JS
<b>Independent auditors</b>	Price Bailey LLP Chartered Accountants & Statutory Auditors 24 Old Bond Street London W1S 4AP

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**CONTENTS**

---

	Page
<b>Directors' report</b>	1 - 4
<b>Independent auditors' report</b>	5 - 8
<b>Statement of comprehensive income</b>	9
<b>Balance sheet</b>	10
<b>Statement of changes in equity</b>	11
<b>Notes to the financial statements</b>	12 - 24
The following pages do not form part of the statutory financial statements:	
<b>Detailed profit and loss account and summaries</b>	25 - 28

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

The directors present their report and the financial statements for the year ended 31 March 2023.

**Directors' responsibilities statement**

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

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose 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.

**APCC general meetings**

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

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**Principal activity**

The Association of Police and Crime Commissioners (APCC) is the national body that supports Police and Crime Commissioners (PCC's) 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 Professionals Bodies.
- Assists its members in collaborating 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, Manchester and the City of London Police Committee. In addition, Jersey Police Authority is an Associate (non-voting) member.

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, National Police Chief's Council, Blue Light Services, Staff Associations and Unions, Independent Office for Public Conduct and Her Majesty's Inspectorate of Constabulary Fire and Rescue Services.

The Policing Vision 2025 published in 2016 set out the change needed across five strands of policing in order to reform it. Those reform strands were Local Policing, Business Enablers, Workforce, Specialist Capabilities and Digital.

To support PCCs to successfully navigate this landscape and deliver on their governance and oversight role in these structures, the APCC offers support including providing the secretariat to the PCC chaired Local Policing and Business Enabler Sub Boards and support across the piece on some of the boards for the national programmes and the Sub Board equivalents for Specialist capabilities and Digital.

**Going concern**

As a membership organisation the Company's annual budget is set and agreed ahead of every year and funded by the membership fees and reserves. The directors have set a budget for the next year which aims to utilise some of these carried forward reserves to support future programmes. The directors remain of the opinion that there are no material uncertainties regarding the Association's ability to continue as a going concern.

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**Directors**

The directors who served during the year were:

K E Bourne  
R C Hirst (resigned 30 November 2022)  
M S Jones  
A Hernandez  
D E Lloyd  
C K McGuinness  
A E Michael  
J M D Thomson

**Director's 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.

We have continued to prepare the accounts on a going concern basis and do not consider there is any uncertainty in this area. In making this assessment we have considered the likely operating conditions for a period of twelve months from the date of our approval of these accounts and the level of reserves held.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and

the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

The auditors, Price Bailey LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**Small companies note**

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

This report was approved by the board on and signed on its behalf.



**M S Jones**  
Director

22 March 2024

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**

---

**Opinion**

We have audited the financial statements of The Association of Police and Crime Commissioners (the 'Company') for the year ended 31 March 2023, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 Company's affairs as at 31 March 2023 and of its loss 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 United Kingdom, including the Financial Reporting Council'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 directors' 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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS (CONTINUED)**

---

**Other information**

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

We have nothing to report in this regard.

**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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

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

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS (CONTINUED)**

---

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 1, 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 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 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.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

We gained an understanding of the legal and regulatory framework applicable to the Company and the sector in which it operates and considered the risk of the Company not complying with the applicable laws and regulations including fraud; in particular those that could have a material impact on the financial statements, including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Company this included compliance with the employment law, health and safety and GDPR.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Review of legal fees incurred;
- Review of Company risk management procedures;
- Reviewing minutes of Board meetings;
- Agreeing the financial statement disclosures to underlying supporting documentation;
- Enquiring of management including those charged with governance;
- Reviewing the key accounting policies and estimates

To address the risk of management override of controls, we reviewed systems and procedures to identify areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, evaluated the business rationale of significant transactions to identify large or unusual transactions and also assessed management bias in relation to the accounting policies adopted in determining significant accounting estimates.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION OF POLICE AND CRIME  
COMMISSIONERS (CONTINUED)**

---

**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 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Helena Wilkinson (Senior Statutory Auditor)**

Chartered Accountants  
Statutory Auditors

24 Old Bond Street  
London

W1S 4AP

Date: 26 March 2024

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Turnover	2,177,942	2,026,697
Cost of sales	(291,176)	(328,386)
<b>Gross profit</b>	1,886,766	1,698,311
Administrative expenses	(2,167,218)	(2,042,879)
<b>Operating loss</b>	(280,452)	(344,568)
Interest receivable and similar income	4,427	134
Interest payable and similar expenses	(41,000)	(36,000)
<b>Loss before tax</b>	(317,025)	(380,434)
<b>Loss for the financial year</b>	(317,025)	(380,434)
<b>Other comprehensive income for the year</b>		
Actuarial gains on defined benefit pension scheme	1,826,000	406,000
<b>Other comprehensive income for the year</b>	1,826,000	406,000
<b>Total comprehensive income for the year</b>	1,508,975	25,566

The notes on pages 12 to 24 form part of these financial statements.

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 05214716**

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

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	6	-	750
Tangible assets	7	15,985	15,120
		<u>15,985</u>	<u>15,870</u>
<b>Current assets</b>			
Debtors	8	278,612	264,206
Cash at bank and in hand	9	687,659	719,345
		<u>966,271</u>	<u>983,551</u>
Creditors: amounts falling due within one year	10	(364,399)	(286,539)
<b>Net current assets</b>		<u>601,872</u>	<u>697,012</u>
<b>Total assets less current liabilities</b>		<u>617,857</u>	<u>712,882</u>
Pension liability/asset		-	(1,604,000)
<b>Net assets/(liabilities)</b>		<u><u>617,857</u></u>	<u><u>(891,118)</u></u>
<b>Capital and reserves</b>			
Pension reserve		-	(1,604,000)
Profit and loss account		617,857	712,882
		<u>617,857</u>	<u>(891,118)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



**M S Jones**

Director

22 March 2024

The notes on pages 12 to 24 form part of these financial statements.

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Pension Reserve £	Profit and loss account £	Total equity £
At 1 April 2022	(1,604,000)	712,882	(891,118)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(317,025)	(317,025)
Actuarial gains on pension scheme	-	1,826,000	1,826,000
<b>Total comprehensive income for the year</b>	-	1,508,975	1,508,975
Transfer to/from profit and loss account	1,604,000	(1,604,000)	-
<b>Total transactions with owners</b>	1,604,000	(1,604,000)	-
<b>At 31 March 2023</b>	-	617,857	617,857

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

	Pension Reserve £	Profit and loss account £	Total equity £
At 1 April 2021	(1,825,000)	908,316	(916,684)
<b>Comprehensive income for the year</b>			
Loss for the year	-	(380,434)	(380,434)
Actuarial gains on pension scheme	-	406,000	406,000
<b>Total comprehensive income for the year</b>	-	25,566	25,566
Transfer to/from profit and loss account	221,000	(221,000)	-
<b>Total transactions with owners</b>	221,000	(221,000)	-
<b>At 31 March 2022</b>	(1,604,000)	712,882	(891,118)

The notes on pages 12 to 24 form part of these financial statements.

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**1. General information**

The Association of Police and Crime Commissioners is a private company, limited by guarantee, registered in England and Wales. The company's registration number and registered office address can be found on the company information page, and details of the principal activity in the Director's report. The presentational currency is Pound Sterling and the financial statements are rounded to the nearest Pound.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

As at 31 March 2023 the Company has net assets of £617,857 (2022 - net liabilities £891,118). However, this includes the defined benefit pension scheme asset of £nil (2022 - liability of £1,604,000) If this is excluded the company has net assets of £617,857 (2022 - £712,882) as can be seen in the balance sheet. For the year ended 31 March 2023, the Company made an operating loss of £280,452 (2022 - £344,568).

In respect of the defined benefit pension scheme asset/liability on the Merseyside Pension Fund there is currently no requirement for additional contributions to be paid by the company. The Merseyside Pension Fund have asked the Company to provide a guarantee to meet the pension scheme liability in the unlikely event that the Company left the Merseyside Pension Fund. This has been supported by the membership of the Company, the Police and Crime Commissioners (PCCs), who have each provided a guarantee from their respective Local Policing Body reserves.

The directors consequently believe that the Company has adequate resources to continue for the foreseeable future, and on this basis the accounts have been prepared on the going concern basis.

**2.3 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

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

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.5 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.



---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.6 Pensions**

**Defined benefit pension plan**

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to 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 end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled. If the present value of the defined benefit pension scheme obligations at the balance sheet date is less than the fair value of the scheme assets at that date, the scheme is in surplus. The Company only recognises a scheme surplus as a defined benefit pension scheme asset to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

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 to 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 as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in the Statement of Comprehensive Income as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net 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 the Statement of Comprehensive Income as a 'finance expense'.

Further details of the pension scheme are given in note 10.

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.7 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.8 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- Over the period of the lease
Fixtures and fittings	- Over a period of 5 years
Computer equipment	- Over a period of 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

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

**2.9 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.

**2.10 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.

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**2. Accounting policies (continued)**

**2.11 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.

**2.12 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**2.13 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of accounts in conformity with generally accepted accounting principles requires use of estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and the reported amount income and expenses during the reporting period. These amounts are based on managements' best estimates taking into account historical experience and evidence, and expectations of future events that are believed reasonable under the circumstances taking account of facts known at the time. The estimates and assumptions used are continually evaluated by management.

The following accounting policies are considered critical accounting policies as they require a significant amount of management judgement and the results are material to the accounts.

**Valuation of the defined benefit pension scheme**

The present value of the defined benefit pension scheme asset which has been restricted to the pension asset ceiling based on a minimum funding requirement being in existence of the pension scheme. Any changes in these assumptions, which are disclosed in note 10, will impact the carrying amount of the pension asset/liability.

**4. Employees**

The average monthly number of employees, including directors, during the year was 26 (2022 - 20).

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**5. 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.

**6. Intangible assets**

	Computer software £
<b>Cost</b>	
At 1 April 2022	6,000
At 31 March 2023	<u>6,000</u>
<b>Amortisation</b>	
At 1 April 2022	5,250
Charge for the year on owned assets	750
At 31 March 2023	<u>6,000</u>
<b>Net book value</b>	
At 31 March 2023	<u>-</u>
At 31 March 2022	<u>750</u>

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**7. Tangible fixed assets**

	Short-term leasehold property £	Fixtures, fittings & computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2022	17,212	76,116	93,328
Additions	-	8,433	8,433
At 31 March 2023	17,212	84,549	101,761
<b>Depreciation</b>			
At 1 April 2022	17,212	60,996	78,208
Charge for the year on owned assets	-	7,568	7,568
At 31 March 2023	17,212	68,564	85,776
<b>Net book value</b>			
At 31 March 2023	-	15,985	15,985
At 31 March 2022	-	15,120	15,120

**8. Debtors**

	2023 £	2022 £
<b>Due after more than one year</b>		
Other debtors	23,679	23,679
<b>Due within one year</b>		
Trade debtors	25,141	167,454
Other debtors	1,800	-
Prepayments and accrued income	227,992	73,073
	278,612	264,206

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**9. Cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	687,659	719,345

**10. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	115,065	48,798
Other taxation and social security	60,090	62,706
Other creditors	41,057	40,197
Accruals and deferred income	148,187	134,838
	<u>364,399</u>	<u>286,539</u>

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

**11. Pension commitments**

The Company operates a Defined benefit pension scheme.

The employees of the company are entitled to membership of the Merseyside Defined Benefit Pension Scheme, and the current membership is 16 (2022 - 22). The most recent full actuarial valuation was on 31 March 2022 and was carried out by a qualified independent actuary. The assets of the scheme are held separately from those of the Company. The key elements of the valuation and subsequent consultation are:

- Employer contributions rates set at 24.8% of pensionable pay.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £10,370m and notional assets (estimated future contributions together with notional investments held at the valuation date) of £11,001m giving a notional surplus of £631m.

The actuarial assumptions were as follows:

- CPI inflation: 3.1% p.a
- Salary increases: 4% p.a
- Discount rate: 2.7% p.a.
- Mortality rate: improvement trend of 1.75% p.a

The valuation showed the funding levels had increased since the previous valuation and that funding levels are 106.1% of scheme liabilities. Based on this assessment the managers of the scheme recommended an increase in the required employer contribution primary rate, from 17.2% to 18.7%. In addition, a secondary rate contribution deficit was agreed of £44,000, £46,000 and £48,100 respectively for the next three years to 2025/26. Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over the employees' working lives with the company.

The figures set out below are the result of the valuation, specific to the company at 31 March 2023 for the purpose of FRS 102 by a qualified independent actuary.

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

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**11. Pension commitments (continued)**

Reconciliation of present value of plan liabilities:

	2023 £	2022 £
<b>Reconciliation of present value of plan liabilities</b>		
At the beginning of the year	6,210,000	6,067,000
Current service cost	375,000	315,000
Interest cost	174,000	125,000
Actuarial gains/losses	(2,514,000)	(160,000)
Contributions	84,000	72,000
Benefits paid	(21,000)	(209,000)
<b>At the end of the year</b>	<b>4,308,000</b>	<b>6,210,000</b>

Reconciliation of present value of plan assets:

	2023 £	2022 £
At the beginning of the year	4,606,000	4,242,000
Interest income	133,000	89,000
Actuarial gains/losses	(372,000)	246,000
Contributions	284,000	243,000
Benefits paid	(21,000)	(209,000)
Administration expenses	(6,000)	(5,000)
<b>At the end of the year</b>	<b>4,624,000</b>	<b>4,606,000</b>



**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**11. Pension commitments (continued)**

Composition of plan assets:

	2023 £	2022 £
Equities	1,711,000	1,752,000
Government bonds	1,128,000	1,013,000
Other bonds	305,000	368,000
Property	384,000	336,000
Cash/liquidity	185,000	230,000
Other	911,000	907,000
<b>Total plan assets</b>	<b>4,624,000</b>	<b>4,606,000</b>
	2023 £	2022 £
Fair value of plan assets	4,624,000	4,606,000
Present value of plan liabilities	(4,308,000)	(6,210,000)
Restriction of pension scheme asset	(316,000)	-
<b>Net pension scheme liability</b>	<b>-</b>	<b>(1,604,000)</b>

In accordance with FRS102 paragraph 28.22, an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Since The Association of Police and Crime Commissioners cannot request a refund of the contributions and cannot at this time confirm that there will be any reductions in future contributions payable to the scheme, the pension scheme asset has not been recognised up to a scheme value of zero on the balance sheet.

The amounts recognised in profit or loss are as follows:

	2023 £	2022 £
Current service cost	375,000	315,000
Net interest cost	41,000	36,000
Losses on curtailments and settlements	6,000	5,000
<b>Total</b>	<b>422,000</b>	<b>356,000</b>
Actual return on scheme assets	(160,000)	334,000

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**11. Pension commitments (continued)**

	2023 £	2022 £
At 1 April	6,210,000	6,067,000
Current service cost	375,000	315,000
Interest on pension liabilities	174,000	125,000
Member contributions	84,000	72,000
Experience (gain)/loss	578,000	18,000
Loss/(gain) on assumptions	(3,092,000)	(178,000)
Benefits/transfers paid	(21,000)	(209,000)
<b>Closing defined benefit obligation</b>	<u>4,308,000</u>	<u>6,210,000</u>

Changes to the fair value of the Company's share of scheme assets were as follows:

	2023 £	2022 £
At 1 April	4,606,000	4,242,000
Remeasurements (assets)	(372,000)	246,000
Administration expenses	(6,000)	(5,000)
Contributions by employer	200,000	171,000
Contributions by scheme participants	84,000	72,000
Benefits/transfers paid	(21,000)	(209,000)
Interest on plan assets	133,000	89,000
	<u>4,624,000</u>	<u>4,606,000</u>

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**11. Pension commitments (continued)**

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

	2023	2022
	%	%
Discount rate	4.8	2.8
Future salary increases	4.2	4.8
Future pension increases	2.8	3.4
Annual increase in healthcare costs	2.7	3.3

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

Males retiring today - 21.2 years (2022 - 21 years)  
 Females retiring today - 23.7 years (2022 - 24.1 years)  
 Males retiring in 20 years - 22.6 years (2022 - 20.9 years)  
 Females retiring in 20 years - 25.5 years (2022 - 24 years)

**12. Commitments under operating leases**

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£	£
Not later than 1 year	72,806	79,425
Later than 1 year and not later than 5 years	-	72,806
	<u>72,806</u>	<u>152,231</u>

**13. Related party transactions**

In accordance with FRS102, local policing bodies that have a member on the Board of Directors are considered related parties. Subscriptions paid by these bodies are on standard business terms and conducted at arm's length.

There are no further related party transactions (2022 - none).

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**DETAILED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

	2023 £	2022 £
Turnover	2,177,942	2,026,697
Cost of sales	(291,176)	(328,386)
<b>Gross profit</b>	<u>1,886,766</u>	<u>1,698,311</u>
<b>Less: overheads</b>		
Administration expenses	(2,167,218)	(2,042,879)
<b>Operating loss</b>	<u>(280,452)</u>	<u>(344,568)</u>
Interest receivable	4,427	134
Interest payable	(41,000)	(36,000)
<b>Loss for the year</b>	<u><u>(317,025)</u></u>	<u><u>(380,434)</u></u>

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**SCHEDULE TO THE DETAILED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

	2023 £	2022 £
<b>Turnover</b>		
Membership fees	1,381,380	1,311,675
Recharges	162,372	259,246
Other revenue	270,592	265,501
Summit revenue	363,598	190,275
	<u>2,177,942</u>	<u>2,026,697</u>
	2023 £	2022 £
<b>Cost of sales</b>		
Summit costs	243,490	183,755
Other direct costs	47,686	144,631
	<u>291,176</u>	<u>328,386</u>

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A company limited by guarantee)

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
<b>Administration expenses</b>		
Director's salaries	-	2,539
Staff salaries	1,222,366	1,138,365
Staff national insurance	99,008	81,175
Staff pension costs - defined benefit schemes	340,008	284,583
Staff pension current service costs (DB)	2,304	675
Staff training	8,850	48,716
Staff welfare	1,618	1,208
Entertainment	300	-
Hotels, travel and subsistence	15,475	9,287
Consultancy	5,220	82,006
Printing and stationery	2,094	1,496
Telephone and fax	3,416	10,919
Computer costs	39,398	43,185
General office expenses	67,240	29,700
Legal and professional	106,720	108,205
Auditors' remuneration	12,794	6,056
Bank charges	827	2,991
Sundry expenses	687	514
Rent	111,364	112,557
Rates	20,096	22,206
Cleaning	8,942	5,754
Insurances	17,510	23,090
Depreciation	7,568	7,536
Amortisation	750	1,500
NRCN expenditure	37,296	-
Covid-19 related expense claims	-	675
General expenses	35,367	17,941
	<u>2,167,218</u>	<u>2,042,879</u>
	2023 £	2022 £
<b>Interest receivable</b>		
Bank interest receivable	<u>4,427</u>	<u>134</u>

---

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A company limited by guarantee)**

---

**SCHEDULE TO THE DETAILED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

---

	2023	2022
	£	£
<b>Interest payable</b>		
Bank loan interest payable	41,000	36,000
	<u>41,000</u>	<u>36,000</u>