

Registered number: 05214716

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**COMPANY INFORMATION**

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|                             |  |
|-----------------------------|--|
| <b>Directors</b>            | S D Duckworth<br>J R Mulligan<br>M Burns-Williamson<br>M J Surl<br>O A Jones<br>R C Hirst (resigned 24 July 2019)<br>J H Cuthbert (resigned 24 July 2019)<br>K E Bourne (appointed 24 July 2019)<br>P Tipping (appointed 24 July 2019) |
| <b>Company secretary</b>    | S M Hancock  |
| <b>Registered number</b>    | 05214716   |
| <b>Registered office</b>    | 5-8 The Sanctuary<br>The Sanctuary<br>London<br>SW1P 3JS   |
| <b>Independent auditors</b> | Barnes Roffe LLP<br>Chartered Accountants & Statutory Auditors<br>Charles Lake House<br>Claire Causeway<br>Crossways Business Park<br>Dartford<br>Kent<br>DA2 6QA  |

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**CONTENTS**

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|   | Page    |
|---|---------|
| <b>Directors' Report</b>  | 1 - 3   |
| <b>Independent Auditors' Report</b>   | 4 - 6   |
| <b>Statement of Comprehensive Income</b>                                    | 7       |
| <b>Balance Sheet</b>  | 8       |
| <b>Statement of Changes in Reserves</b>                                     | 9       |
| <b>Notes to the Financial Statements</b>                                    | 10 - 19 |
| The following pages do not form part of the statutory financial statements: |         |
| <b>Detailed Profit and Loss Account and Summaries</b>                       | 20 - 23 |

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their report and the financial statements for the year ended 31 March 2020.

**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 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 and the Chairman of the City of London Police Authority Board. 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, NPCC, Blue Light Services, Staff Associations and Unions, IOPC and HMICFRS.

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.

Funding, top sliced from policing, was made available to support a large number of national, regional and local projects across all areas (£175m in 2019/20). These projects have been monitored by the Home Office and more recently that role has been taken on by the Joint Portfolio Team. Overall governance has involved the Police Reform and Transformation Board (PRTB) made up of representatives of the APCC, NPCC, College of Policing, National Crime Agency and Home Office who make recommendations to Ministers on which projects and programmes to fund and review the extent to which we are delivering on the Policing Vision.

Within the last year a Police Portfolio Board, chaired by the Home Office, has been set up. It meets on a monthly basis to review progress, consider programme stage gates to approve further payments and review the PRTB recommendations to Ministers. Membership is similar to the PRTB. The landscape below that is complex and at times unclear but some reform strands are supported by Sub Boards which review project and programme delivery in more detail, what new projects should be funded and where the gaps are so that projects can be commissioned to address them.

To support PCCs to successfully navigate this landscape and deliver on their governance and oversight role in these structures, the APCC hosts a small team funded by the Police Transformation Fund (PTF) to enable PCCs to have some oversight of the projects and programmes supported. This support includes 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.

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Directors**

The directors who served during the year were:

S D Duckworth  
J R Mulligan  
M Burns-Williamson  
M J Surl  
O A Jones  
R C Hirst (resigned 24 July 2019)  
J H Cuthbert (resigned 24 July 2019)  
K E Bourne (appointed 24 July 2019)  
P Tipping (appointed 24 July 2019)

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' 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.

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**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.

**Disclosure of information to auditors**

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.

**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 and signed on its behalf.



K E Bourne  
Director

Date: 15 July 2020

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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

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**Opinion**

We have audited the financial statements of The association of police and crime commissioners for the year ended 31 March 2020, 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 2020 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**

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.

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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.



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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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

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**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 2, 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.

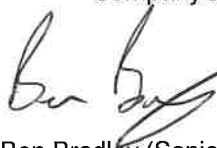
**Auditors' responsibilities for the audit of the financial statements**

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.

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.

**Use of our report**

This report is made solely to the Company's shareholders 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 shareholders 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 shareholders 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

**31** July 2020

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A Company Limited by Guarantee)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2020**

|   | Note | 2020<br>£        | 2019<br>£        |
|---|------|------------------|------------------|
| Turnover  |      | 2,243,798        | 1,968,770        |
| Cost of sales   |      | (286,939)        | (272,782)        |
| <b>Gross profit</b>                                     |      | <b>1,956,859</b> | <b>1,695,988</b> |
| Administrative expenses                                 |      | (2,135,777)      | (1,885,865)      |
| <b>Operating loss</b>                                   | 3    | <b>(178,918)</b> | <b>(189,877)</b> |
| Interest receivable and similar income                  |      | 2,017            | 1,260            |
| Other Finance Costs                                     |      | (27,000)         | (19,000)         |
| <b>Loss before tax</b>                                  |      | <b>(203,901)</b> | <b>(207,617)</b> |
| <b>Loss for the financial year</b>                      |      | <b>(203,901)</b> | <b>(207,617)</b> |
| <b>Other comprehensive income for the year</b>          |      |                  |                  |
| Actuarial gain/losses on defined benefit pension scheme |      | 93,000           | (176,000)        |
| <b>Other comprehensive income for the year</b>          |      | <b>93,000</b>    | <b>(176,000)</b> |
| <b>Total comprehensive income for the year</b>          |      | <b>(110,901)</b> | <b>(383,617)</b> |

The notes on pages 10 to 19 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 2020**

|  | Note | 2020<br>£        | 2019<br>£        |
|--|------|------------------|------------------|
| <b>Fixed assets</b>                            |      |                  |                  |
| Intangible assets                              | 8    | 3,750            | 5,250            |
| Tangible assets                                | 9    | 16,459           | 30,506           |
|  |      | <u>20,209</u>    | <u>35,756</u>    |
| <b>Current assets</b>                          |      |                  |                  |
| Debtors  | 10   | 646,905          | 547,315          |
| Cash at bank and in hand                       |      | 491,930          | 528,084          |
|  |      | <u>1,138,835</u> | <u>1,075,399</u> |
| Creditors: amounts falling due within one year | 11   | (260,537)        | (256,747)        |
| <b>Net current assets</b>                      |      | <u>878,298</u>   | <u>818,652</u>   |
| <b>Total assets less current liabilities</b>   |      | <u>898,507</u>   | <u>854,408</u>   |
| Pension liability                              |      | (1,241,000)      | (1,086,000)      |
| <b>Net liabilities</b>                         |      | <u>(342,493)</u> | <u>(231,592)</u> |
| <b>Capital and reserves</b>                    |      |                  |                  |
| Pension reserve                                |      | (1,241,000)      | (1,086,000)      |
| Income and expenditure account                 |      | 898,507          | 854,408          |
|  |      | <u>(342,493)</u> | <u>(231,592)</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 by:



K E Bourne  
 Director

Date: 15 July 2020

The notes on pages 10 to 19 form part of these financial statements.

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A Company Limited by Guarantee)

**STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED 31 MARCH 2020**

|   | Pension<br>Reserve<br>£ | Income and<br>expenditure<br>account<br>£ | Total equity<br>£ |
|---|-------------------------|---|-------------------|
| <b>At 1 April 2018</b>                          | <b>(781,000)</b>        | <b>933,025</b>                            | <b>152,025</b>    |
| <b>Comprehensive income for the year</b>        |                         |   |                   |
| Loss for the year                               | -                       | (207,617)                                 | (207,617)         |
| Actuarial losses on pension scheme              | -                       | (176,000)                                 | (176,000)         |
| Transfer to/from income and expenditure account | (305,000)               | 305,000                                   | -                 |
| <b>At 1 April 2019</b>                          | <b>(1,086,000)</b>      | <b>854,408</b>                            | <b>(231,592)</b>  |
| <b>Comprehensive income for the year</b>        |                         |   |                   |
| Loss for the year                               | -                       | (203,901)                                 | (203,901)         |
| Actuarial gains on pension scheme               | -                       | 93,000                                    | 93,000            |
| Transfer to/from income and expenditure account | (155,000)               | 155,000                                   | -                 |
| <b>At 31 March 2020</b>                         | <b>(1,241,000)</b>      | <b>898,507</b>                            | <b>(342,493)</b>  |

The notes on pages 10 to 19 form part of these financial statements.

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

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**1. STATUTORY 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.

**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 2020 the company has net liabilities of £342,493. However, this includes the defined benefit pension scheme liability of £1,241,000 (see note 12). If this is excluded the company has net assets of £898,507 as can be seen in the statement of changes in reserves on page 9.

In respect of the defined benefit pension scheme liability on the Merseyside Pension Fund there is currently no requirement for additional contributions to be paid by the company, but the Merseyside Pension Fund have asked the company to provide a bond to meet the pension scheme liability in the unlikely event that the company left the Merseyside Pension Fund. However, as an alternative to a bond it has been agreed in principle with the Merseyside Pension Fund that the membership of the company, the Police and Crime Commissioners (PCCs), will each provide a guarantee from their respective Local Policing Body reserves. The company are now in the process of finalising the documentation to put the guarantees in place.

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 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Revenue 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.

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**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.

**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.

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 profit or loss 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 profit or loss as a 'finance expense'.

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**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.

The estimated useful lives range as follows:

|                               |                                |
|-------------------------------|--------------------------------|
| 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.

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**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.

**3. Operating loss**

The operating loss is stated after charging:

|                                | <b>2020</b>    | <b>2019</b>    |
|--------------------------------|----------------|----------------|
|                                | <b>£</b>       | <b>£</b>       |
| Depreciation - owned assets    | <b>16,023</b>  | <b>18,421</b>  |
| Intangible Assets Amortisation | <b>1,500</b>   | <b>750</b>     |
| Pension Cost                   | <b>341,110</b> | <b>207,144</b> |
|                                | <b>=====</b>   | <b>=====</b>   |

**4. Auditors' remuneration**

|  | <b>2020</b>  | <b>2019</b>  |
|--|--------------|--------------|
|  | <b>£</b>     | <b>£</b>     |
| Fees payable to the Company's auditor for the audit of the Company's annual financial statements | <b>5,483</b> | <b>5,375</b> |
|  | <b>=====</b> | <b>=====</b> |

**5. Employees**

The average monthly number of employees, including directors, during the year was 23 (2019 - 18).



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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**6. Directors' remuneration**

|                       | <b>2020</b>  | <i>2019</i>  |
|-----------------------|--------------|--------------|
|                       | £            | £            |
| Directors' emoluments | 8,160        | 8,000        |
|                       | <u>8,160</u> | <u>8,000</u> |

**7. 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.

**8. Intangible assets**

|                         | <b>Other<br/>intangible<br/>assets<br/>£</b> |
|-------------------------|--|
| <b>Cost</b>             |  |
| At 1 April 2019         | 6,000  |
| At 31 March 2020        | <u>6,000</u>                                 |
| <b>Amortisation</b>     |  |
| At 1 April 2019         | 750  |
| Charge for the year     | 1,500  |
| At 31 March 2020        | <u>2,250</u>                                 |
| <b>Net book value</b>   |  |
| At 31 March 2020        | <u>3,750</u>                                 |
| <i>At 31 March 2019</i> | <u>5,250</u>                                 |

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**9. Tangible fixed assets**

|                                     | Leasehold<br>Improvement<br>£ | Plant and<br>machinery<br>£ | Total<br>£    |
|-------------------------------------|-------------------------------|-----------------------------|---------------|
| <b>Cost or valuation</b>            |                               |                             |               |
| At 1 April 2019                     | 17,212                        | 63,013                      | 80,225        |
| Additions                           | -                             | 1,975                       | 1,975         |
| Disposals                           | -                             | (4,070)                     | (4,070)       |
| At 31 March 2020                    | <u>17,212</u>                 | <u>60,918</u>               | <u>78,130</u> |
| <b>Depreciation</b>                 |                               |                             |               |
| At 1 April 2019                     | 7,171                         | 42,548                      | 49,719        |
| Charge for the year on owned assets | 3,442                         | 12,580                      | 16,022        |
| Disposals                           | -                             | (4,070)                     | (4,070)       |
| At 31 March 2020                    | <u>10,613</u>                 | <u>51,058</u>               | <u>61,671</u> |
| <b>Net book value</b>               |                               |                             |               |
| At 31 March 2020                    | <u>6,599</u>                  | <u>9,860</u>                | <u>16,459</u> |
| At 31 March 2019                    | <u>10,041</u>                 | <u>20,465</u>               | <u>30,506</u> |

**10. Debtors**

|                                | 2020<br>£      | 2019<br>£      |
|--------------------------------|----------------|----------------|
| Trade debtors                  | 91,477         | 28,055         |
| Other debtors                  | 227,202        | 219,460        |
| Prepayments and accrued income | 328,226        | 299,800        |
|                                | <u>646,905</u> | <u>547,315</u> |

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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

|                                    | 2020           | 2019           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Trade creditors                    | 143,276        | 149,918        |
| Other taxation and social security | 46,657         | 43,011         |
| Other creditors                    | 24,284         | 28,705         |
| Accruals and deferred income       | 46,320         | 35,113         |
|                                    | <u>260,537</u> | <u>256,747</u> |

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**12. Pension commitments**

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 2019 and was carried out by a qualified independent actuary.

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

Reconciliation of present value of plan liabilities:

|  | 2020<br>£        | 2019<br>£        |
|--|------------------|------------------|
| <b>Reconciliation of present value of plan liabilities</b> |                  |                  |
| At the beginning of the year                               | 3,365,000        | 2,755,000        |
| Current service cost                                       | 300,000          | 235,000          |
| Interest cost  | 94,000           | 70,000           |
| Actuarial gains/losses                                     | 217,000          | 234,000          |
| Contributions  | 81,000           | 75,000           |
| Transfers/benefits   | 586,000          | (4,000)          |
| Past service cost  | 70,000           | -                |
| <b>At the end of the year</b>                              | <b>4,713,000</b> | <b>3,365,000</b> |

Reconciliation of present value of plan assets:

|                               | 2020<br>£        | 2019<br>£        |
|-------------------------------|------------------|------------------|
| At the beginning of the year  | 2,279,000        | 1,974,000        |
| Interest income               | 67,000           | 56,000           |
| Actuarial gains/losses        | 310,000          | 58,000           |
| Contributions                 | 235,000          | 199,000          |
| Transfers/benefits            | 586,000          | (4,000)          |
| Administration expenses       | (5,000)          | (4,000)          |
| <b>At the end of the year</b> | <b>3,472,000</b> | <b>2,279,000</b> |

**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**12. Pension commitments (continued)**

Composition of plan assets:

|                          | 2020<br>£        | 2019<br>£        |
|--------------------------|------------------|------------------|
| Equities                 | 1,431,000        | 896,000          |
| Government bonds         | 618,000          | 155,000          |
| Other bonds              | 382,000          | 520,000          |
| Property                 | 260,000          | 173,000          |
| Cash/liquidity           | 139,000          | 123,000          |
| Other                    | 642,000          | 412,000          |
| <b>Total plan assets</b> | <b>3,472,000</b> | <b>2,279,000</b> |

|                                     | 2020<br>£          | 2019<br>£          |
|-------------------------------------|--------------------|--------------------|
| Fair value of plan assets           | 3,472,000          | 2,279,000          |
| Present value of plan liabilities   | (4,713,000)        | (3,365,000)        |
| <b>Net pension scheme liability</b> | <b>(1,241,000)</b> | <b>(1,086,000)</b> |

The amounts recognised in income or expenditure are as follows

|                                | 2020<br>£      | 2019<br>£      |
|--------------------------------|----------------|----------------|
| Current service cost           | 300,000        | 235,000        |
| Interest income on plan assets | 27,000         | 19,000         |
| Past service cost              | 70,000         | -              |
| Administration expenses        | 5,000          | 4,000          |
| <b>Total</b>                   | <b>402,000</b> | <b>258,000</b> |
| Actual return on scheme assets | 6,000          | 114,000        |
|                                | <b>6,000</b>   | <b>114,000</b> |

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**12. Pension commitments (continued)**

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

|                                     | <b>2020</b> | <b>2019</b> |
|-------------------------------------|-------------|-------------|
|                                     | %           | %           |
| Discount rate                       | <b>2.4</b>  | 2.5         |
| Future salary increases             | <b>3.6</b>  | 3.6         |
| Future pension increases            | <b>2.2</b>  | 2.3         |
| Annual increase in healthcare costs | <b>2.1</b>  | 2.2         |

**13. Commitments under operating leases**

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

|  | <b>2020</b>           | <b>2019</b>           |
|--|-----------------------|-----------------------|
|  | £                     | £                     |
| Not later than 1 year                        | <b>79,425</b>         | 153,225               |
| Later than 1 year and not later than 5 years | <b>238,275</b>        | 390,506               |
|  | <b><u>317,700</u></b> | <b><u>543,731</u></b> |

**14. Related Part Disclosures**

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.

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
**(A Company Limited by Guarantee)**

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**DETAILED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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|                          | 2020<br>£        | 2019<br>£        |
|--------------------------|------------------|------------------|
| Turnover                 | 2,243,798        | 1,968,770        |
| Cost Of Sales            | (286,939)        | (272,782)        |
| <b>Gross profit</b>      | <u>1,956,859</u> | <u>1,695,988</u> |
| <b>Less: overheads</b>   |                  |                  |
| Administration expenses  | (2,135,777)      | (1,885,865)      |
| <b>Operating loss</b>    | <u>(178,918)</u> | <u>(189,877)</u> |
| Interest receivable      | 2,017            | 1,260            |
| Other finance income     | (27,000)         | (19,000)         |
| <b>Loss for the year</b> | <u>(203,901)</u> | <u>(207,617)</u> |

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**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A Company Limited by Guarantee)

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**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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|                      | 2020<br>£        | 2019<br>£        |
|----------------------|------------------|------------------|
| <b>Turnover</b>      |                  |                  |
| Membership Fees      | 967,377          | 973,300          |
| Recharges            | 76,200           | 141,096          |
| Summit Revenue       | 203,147          | 203,400          |
| Other Income         | 997,074          | 650,974          |
|                      | <u>2,243,798</u> | <u>1,968,770</u> |
|                      |                  |                  |
|                      | 2020<br>£        | 2019<br>£        |
| <b>Cost of sales</b> |                  |                  |
| Summit Costs         | 210,739          | 154,432          |
| Other Direct Costs   | 76,200           | 118,350          |
|                      | <u>286,939</u>   | <u>272,782</u>   |



**THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS**  
(A Company Limited by Guarantee)

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2020**

|   | 2020<br>£        | 2019<br>£        |
|---|------------------|------------------|
| <b>Administration expenses</b>                |                  |                  |
| Directors fees                                | 8,160            | 8,000            |
| Staff salaries                                | 1,185,764        | 1,068,544        |
| Staff national insurance                      | 71,323           | 68,527           |
| Staff pension costs - defined benefit schemes | 341,110          | 207,144          |
| Staff training                                | 10,771           | 3,669            |
| Staff welfare                                 | 1,100            | 1,283            |
| Hotels, travel and subsistence                | 31,216           | 26,680           |
| Consultancy                                   | 20,480           | 38,710           |
| Printing and stationery                       | 12,968           | 7,210            |
| Telephone and fax                             | 4,174            | 3,273            |
| Computer costs                                | 41,167           | 43,835           |
| General office expenses                       | 24,588           | 19,728           |
| Charity donations                             | -                | 5,000            |
| Legal and professional                        | 79,939           | 106,047          |
| Auditors' remuneration                        | 5,483            | 5,375            |
| Bank charges                                  | 3,927            | 4,011            |
| Bad debts                                     | 2,060            | -                |
| Sundry expenses                               | 4,538            | 1,039            |
| General expenses                              | 33,097           | 73,586           |
| Rent  | 201,129          | 137,303          |
| Rates   | 20,629           | 16,804           |
| Cleaning                                      | 8,801            | 8,049            |
| Insurances                                    | 5,830            | 12,877           |
| Depreciation - plant and machinery            | 16,023           | 18,421           |
| Amortisation - intangible fixed assets        | 1,500            | 750              |
|   | <u>2,135,777</u> | <u>1,885,865</u> |
|   | 2020<br>£        | 2019<br>£        |
| <b>Interest receivable</b>                    |                  |                  |
| Bank interest receivable                      | 2,017            | 1,260            |
|   | <u>2,017</u>     | <u>1,260</u>     |

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THE ASSOCIATION OF POLICE AND CRIME COMMISSIONERS  
(A Company Limited by Guarantee)

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SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2020

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|  | 2020<br>£       | 2019<br>£       |
|--|-----------------|-----------------|
| <b>Other finance costs</b>                             |                 |                 |
| Net interest cost on pension scheme assets/liabilities | (27,000)        | (19,000)        |
|  | <u>(27,000)</u> | <u>(19,000)</u> |