

# ANNUAL REPORT

Royal Ulster Constabulary George Cross Foundation

**Report for the period**

**1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016**

**OUR PATRON**

**HRH The Prince of Wales**

Laid in the Northern Ireland Assembly pursuant to regulation 11A (b) of the Royal Ulster Constabulary GC Foundation Regulations 2002, as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2008, and further amended by the Northern Ireland Act 1998 (Devolution of Policing and Justice Function) Order 2010.

## **FOREWORD**

### **Devolution of Policing and Justice functions**

Policing and Justice functions were devolved to the Northern Ireland Assembly on 12<sup>th</sup> April 2010.

The RUC GC Foundation is an executive Non Departmental Public Body (NDPB) of the Department of Justice. As such, it now complies with the corporate governance and accountability framework arrangements issued by the Department of Justice and also the guidance issued by the Department of Finance, including Managing Public Money Northern Ireland. The Annual Report and Accounts for the financial year ended 31 March 2011 onwards will be laid in the Northern Ireland Assembly.

### **Audit**

Prior to the devolution of policing and justice functions in Northern Ireland, the Financial Statements were audited by the Comptroller and Auditor General (who heads the National Audit Office) and reported to Parliament. Financial statements for 2010-2011 onwards are audited by the Comptroller and Auditor General for Northern Ireland (C&AG), who heads the Northern Ireland Audit Office and is appointed by statute and reports to Northern Ireland Assembly. His certificate and report are reproduced at pages 28 to 29.

The C&AG may also undertake other statutory activities that are not related to the audit of the Foundation's Financial Statements such as value for money studies. No such activity took place during this reporting year.

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# **CHAIRMAN'S AND TRUSTEES' REPORT**

## **Background**

The Annual Report and Accounts contain the financial out-turn of the Royal Ulster Constabulary George Cross (RUC GC) Foundation for the period ended 31 March 2016.

The Annual Report and Accounts have been prepared in accordance with the accounts direction given by the Department of Justice (DoJ) in accordance with Article 11 of the Royal Ulster Constabulary GC Foundation Regulations 2002 and, where appropriate, the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' and follows the requirements of the Government Financial Reporting Manual (FRM).

## **Statutory Basis and Objectives**

The Royal Ulster Constabulary George Cross Foundation was created by virtue of Section 70 of the Police (Northern Ireland) Act 2000 for the purpose of 'marking the sacrifices and honouring the achievements of the Royal Ulster Constabulary' and is comprised of a Chairman and five Trustees. The trustees have complied with the duty in Part 1 Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

The public benefit of the Foundation's work is primarily targeted in the best interests of honouring former members of the RUC GC and supporting their families. Inter alia, the Foundation also supports the professional development of police officers and innovations in policing. It continued to make progress towards these objectives during the year.

The Foundation has management responsibility for the RUC GC garden and a new purpose built museum to be erected beside it. It supports the professional development of serving police officers and undertakes joint initiatives with the various groups/associations within the RUC GC family. The RUC GC Foundation's charity number is XR80453.

## **Chairman and Trustees**

### **Brian Rea CBE, JP (Chairman)**

Brian Rea was a member of the Northern Ireland Policing Board from 2006 until 2015 having previously been Chairman of his local Community and Police Liaison Committee.

Brian was elected Vice Chairman of the Policing Board in 2009 and served as acting Chairman of the Board from 2010 until elected Chairman in 2011. Brian was a member of the Northern Ireland Police Advisory Board and the Northern Ireland Organised Crime Task Force Stakeholders' Group and served as the Policing Board representative on the Programme Board for the Northern Ireland Joint Community Training College at Desertcreat. Brian was a member of the Association of Police Authorities (APA) Council and Board from 2010 and a member of the APA Transition Board for Police and Crime Commissioners in England and Wales.

A graduate of the University of Ulster, Brian was employed for 35 years at Castlereagh College of Further and Higher Education, holding various posts including Lecturer, Senior Lecturer, Head of Department and Head of Faculty and is a former Chairman of the Northern Ireland region of the Association for College Management.

Brian was, for 12 years, a member of the Board of Visitors of HMP Maghaberry. He is a Justice of the Peace and served for 11 years as a Lay Magistrate and was awarded an MBE in the Queen's 2003 New Year Honours for services to the community in Northern Ireland and a CBE in the Queen's Birthday Honours in 2013 for services to Policing in Northern Ireland.

He is involved in voluntary work with a number of community and welfare interest groups and is currently Chairman of the Board of the Hanwood Trust, a community development and regeneration project based in Tullycarnet, in outer East Belfast.

### **Peter Aiken DMS; B.A. (Hons); Chartered Fellow CIPD**

Peter Aiken is employed by the Northern Ireland Policing Board in the area of policing human resources and training.

Prior to his current employment he held various human resource positions in Northern Ireland and senior local government posts with responsibility for leisure, libraries, museums and tourism services in both England and Scotland.

Peter is currently Chairman of the Board of Governors at Portadown College and is the immediate past Chairman of the Northern Ireland branch of the Chartered Institute of Personnel and Development. He is a former Board member and Chair of the Library and Youth Committees of the Southern Education and Library Board.

### Murray Cameron

Murray Cameron is a former senior civil servant with over 40 years experience working across the public sector in Northern Ireland.

He has been working in a voluntary capacity with the RUC GC Foundation for the past ten years. In 2007 he assumed responsibility for the Foundation's Oral History Project, heading up a team of retired officers collecting the memories of members of the RUC GC and their families.

### Roger McCallum LLB LLM MSc

Roger McCallum served in both the RUC and the PSNI, retiring as a Superintendent in 2002. He worked operationally in every county in Northern Ireland as well as in a number of Headquarters posts.

Since his retirement from the police service, Roger has established a consultancy company and has worked in the wider criminal justice sector in the UK, Europe, Asia and Africa and the Middle East.

Roger has a particular interest in community development, legacy issues and peace building. He is a Governor of Dominican College, Portstewart and a Board member of 'The Junction' in Derry/Londonderry. He is also a member of 'Healing Through Remembering', a local Co-Ordinator of a Neighbourhood Watch Scheme and the Northern Publicity Officer for Irish Mensa. He has an interest in the development of Restorative Justice Schemes and is on the steering group of the AIMS project in North Antrim.

Roger is a great believer in the use of the arts as a medium of reconciliation and understanding, and has been involved in a number of cross community artistic events including the plays, 'Crows On The Wire', 'Green and Blue' and the 'Aftermath' project.

Roger has three sons, one of whom is a serving officer in the PSNI. His grandfather served in both the Royal Irish Constabulary and the RUC.

### Stephen White OBE

Stephen White was a member of the RUC from 1978 until 2001 and served in the PSNI until he retired from policing in 2004. In Northern Ireland he held the rank of Assistant Chief Constable and also served in Iraq as an acting Deputy Chief Constable.

He is the son of a police officer and also the father of a police officer and held a number of interesting specialist posts during his career. These included Commandant (Initial Training), Head of Community Affairs Branch, Programme Director of the Change Management Team and Head of National Senior Leadership Development at Bramshill, England. He performed operational, uniformed service in all ranks throughout Northern Ireland including west and north Belfast, Fermanagh and 'South Region' based in Portadown.

Following his police career he served for five years in the European Union – as a Special Adviser to the High Representative and Secretary-General while he was Head of Mission for the EU's rule of law mission in Iraq. Currently he is a Freelance Security Sector Consultant, and works part time for a New York and Doha based strategic consultancy (The Soufan Group).

He also provides voluntary service as a Board member for a number of organisations including Community Restorative Justice, Ireland, the Causeway Institute for Peace-building and Conflict Resolution and the Northern Ireland Association of Churchill Fellows.

Stephen is a graduate of Queen's University of Belfast and Cambridge University. He holds two Masters Degrees – an M.Sc in Management and Organisational Development, and a M.St. (Cantab) in Criminology. In 2004 he was awarded an OBE for his services to policing at home and abroad.

### Ross Hussey BA (Hons) MLA

Ross worked with Pearl Assurance PLC from 1976 – 2003 starting his career as a Junior Clerk in Omagh and retiring in 2003 as District Manager back 'where he started' in Omagh. He served as a part time Reserve Constable attached to Omagh station from 1977 until 2003 when an injury sustained on duty led to his forced early retirement. He decided to re-enter the world of education as he faced his oncoming retirement and completed his BA (Hons) degree in History and Humanities with the Open University (OU). He also completed an OU Certificate in Law, a Certificate in Paralegal Studies, a Diploma in Paralegal Studies through the Institute of Legal Executives (ILEX), a Certificate in the Effective Management of Volunteers through Queen's University in Belfast and finally, a Diploma in Community Development through NUI Galway.

In 2002 he, along with several others, formed the RUC GC Reserve Part Time Officers' Welfare Group which fought for official recognition of the Reserve and the fact that, despite many years of service, there was no pension or other benefits available for part

time officers. This eventually led to the £20 million settlement that was distributed to those who served. He has served as Chairman of this group since its formation.

In 2005 he entered the political arena and was elected as a Councillor representing Omagh Town on Omagh District Council and in 2011 he was re-elected and also won an Assembly seat as MLA for West Tyrone. After serving as Vice Chairman of Omagh District Council in 2011/2012 he stepped down from the Council in September 2012. He has been a member of the NI Policing Board since 2011.



## **Staff and Volunteers**

Our staff consists of two full-time employees, seconded from the PSNI and 60 volunteer workers, including six trustees. The Foundation does not discriminate against staff and treats all volunteers, contractors and staff on the same basis, irrespective of religious belief, gender, disability, race, political opinion, age, marital status and sexual orientation.

One member of our Administrative Support staff will be leaving her post at the end of this financial year. A recruitment exercise to replace the member of staff has commenced.

## **Training and Development**

The Northern Ireland Civil Service provides a range of training and development courses for the full time staff. The Foundation, in conjunction with Police Retraining and Rehabilitation Trust (PRRT), provides training opportunities which are focused on the needs of our volunteer guides. At least once a year a training day is organised for trustees, staff and volunteers to allow the Foundation to exchange views and ideas and thereby consolidate its focus as a team.

## **Consultation**

Consultation with the police family and other stakeholders is carried out through formal meetings with the various groups and by the Trustees, who attend a wide range of meetings, church services and functions throughout Northern Ireland, during the course of the year.

The Foundation is committed to developing each member of staff so that they may reach their full potential. It promotes and maintains effective communication and consultation with its staff in order to create and sustain good morale within the office. Team building is achieved by holding joint training sessions, having regular staff meetings and through the issue of written guidance.

## **Annual Report and Accounts**

In accordance with Article 11 of the Royal Ulster Constabulary GC Foundation Regulations 2002, together with the accounts direction given by the Department of Justice (DoJ), the Foundation is required to prepare annual accounts which give a 'true and fair view' of its income, expenditure and cash flow for the financial year, and the state of affairs at the financial year-end.

The accounts must be prepared in accordance with the Financial Reporting Manual (FReM), and the accounting and disclosure requirements of the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' (to the extent that such requirements are deemed appropriate), and other guidance which the Department of Finance (DoF) may issue from time to time, in respect of accounts which are necessary to give a 'true and fair view'.

The annual accounts are audited by the Northern Ireland Audit Office (NIAO).

## **Disclosure to Auditors**

As Accounting Officer, the Chairman is not aware of any relevant audit information, of which the Foundation's auditors are unaware. He has taken all reasonable steps to make himself aware of any relevant audit information and to ensure that the Foundation's auditors are made aware of that information.

### **Risk Management**

The Foundation maintains a risk management system, which seeks to identify and prioritise any risks to its activities and the delivery of its objectives, and puts in place measures proportionate to the management of those risks. The main risks are categorised as:

- **Personnel:** eg the risk of losing key staff or volunteers, with the associated loss of expertise and experience.
- **Reputation:** eg the danger that the Foundation might be perceived as partisan in its approach.
- **External Relations:** eg the risk that outside agencies may fail to co-operate with the Foundation and that the Foundation may become involved in protracted negotiations which may delay critical projects.
- **Community Relations:** eg the risk that voluntary or community-based groups may be unwilling to engage with the Foundation.

The most significant current risk is the museum project which has the potential to threaten the reputation and financial position of the Foundation, if not managed effectively to a timely and successful conclusion. For each of these risks, together with other less significant adverse risks, the Foundation has put in place risk management plans to reduce or negate the impact on its activities. These are summarised in the Foundation's risk register, which is scrutinised regularly by the Board of Trustees.

## **Register of Interests**

Trustees are required to disclose information of their personal or business interests which might be perceived by any reasonable member of the public to influence their judgement in the exercise of their public duties.

A register of such interests is maintained by the Chairman and is available for public inspection on request.

## **Health and Safety**

The areas for which the Foundation has responsibility are all contained within the confines of the Police Service of Northern Ireland's (PSNI) headquarters and, as such, all health and safety matters are covered by the policies of the PSNI, to which the Foundation adheres.

## **Future Developments**

The tenure of the existing Gardening Contract is coming to an end and work has begun on the review of the requirements for the maintenance of the Garden. The Central Procurement Directorate is engaged to assist with this and to carry out the procurement process of a new contract.

The Foundation Trustees have been working closely with the Department of Justice (DoJ) and the Police Service of Northern Ireland (PSNI) on the development of the new Policing Museum project.

The Trustees are grateful to the DoJ and PSNI for their cooperation in progressing the Museum project to this point and are pleased to announce that DoJ has on 14th November 2016 transferred responsibility for the further development of the project to PSNI.

Trustees do not foresee any future capital expenditure on this project being incurred by the RUC GC Foundation.

## MANAGEMENT COMMENTARY

### **Financial Review**

The RUC GC Foundation is principally funded by the Department of Justice (DoJ). The total income from DoJ for the 12 month period to 31 March 2016 was £439,000 (2014/15 £162,000).

The Foundation prepares estimates and receives funding to cover capital, payroll and other administrative costs.

The Foundation's accounts for the year ended 31 March 2016 have been prepared on an accruals basis. Total incoming resources for the year totalled £453,701, with expenditure of £314,665, resulting in a net increase in funds of £139,036 (2014/15 increase of £37,916). Details of the reconciliation of unrestricted funds are provided in note 9 to the accounts. Details of the reconciliation of restricted funds are provided in note 10 to the accounts

During the year, the Foundation continued to hold reserves to further its objectives. As described in note 1 (f) to the accounts, restricted funds are applied strictly in accordance with the donors' wishes e.g. the maintenance and development of the Memorial Garden. Its policy for unrestricted funds ensures that reserves are maintained to undertake special projects identified by stakeholder groups in the pursuance of the Foundation's aims and objectives and to facilitate the progress of the organisation in the medium and longer term e.g. the development of the next generation of the RUC GC families.

The Foundation supports the prompt payment initiative in accordance with the Confederation of British Industry (CBI) 'Better Payment Practice Code'. The target requires payment for goods and services to be made within agreed payment terms or within 10 days of receipt of invoices not in dispute. The most recent prompt payment survey for 2015/16 indicates that 100% of invoices were paid in accordance with the terms of this code.

The Foundation's fixed assets consist principally of its I.T. (computer) equipment and software and office furniture, which have been significantly depreciated over their useful lives.

Although not reflected in the accounts, the work of the Volunteers attached to the foundation is estimated to have contributed some 5,800 hours, equivalent to an estimated cost of some £89,000.

## **SUMMARY of ACTIVITIES**

During the year to 31 March 2016, the Board of Trustees held 12 meetings requiring a contribution of some 130 hours in total and as individuals, representing the Foundation, also attended a large number of ceremonial, welfare and social events. In addition the Trustees have been involved in Sub-Committee meetings and various Special Projects, all of which represent further significant commitment on the part of the Board.

In line with the Foundation's Business Plan, the Stakeholders' Group, representing the many facets of the RUC GC Family, continued to meet under the Chairmanship of Leslie Busby, MBE. This group provides a valuable sounding board for consultation and source of ideas.

### **Royal Ulster Constabulary GC Garden**

During this year 1232 visitors have visited the Garden, bringing the total since the official opening on 2 September 2003 to 38144.

The Foundation continues to be indebted to the Volunteer Guides who contributed an estimated 450 hours escorting visitors around the Garden, explaining the events on the History Trail and the symbolism of the design of the sculptures. The Guides readily assisted with other events at the Garden and also with stewarding at the annual 'RUC GC Day' Service. During the year some of the Guides attended regularly as members of the group of Volunteers who assisted with gardening duties. The Foundation is indebted to this group for their work which included the re-planting of flower borders, bulb planting, general weeding and tidying tasks throughout the Garden. The Volunteer gardeners have contributed some 300 hours of voluntary work.

Visitors to the Garden have included:-

Numerous Church groups;  
Police Welfare Associations;  
Senior Citizens Groups;  
US Political student group;  
Bradford University students;  
'Healing Through Remembering' Group;  
National Police Memorial Day visitors;  
Cregagh Retired Active Gentlemens' Club;  
Police Officers from Jordan;  
Visitors from Australia;  
Small family groups;  
Royal British Legion, Women's Section  
Mothers' Union Groups;  
Banbridge Vintage Car Club;  
US Students;  
CCEA;  
Ligoniel History group;  
Ballymoney Probus group;

Community Care group;  
Polish Migrant Help group;  
Orangefield Friendship group;  
Decorum NI group;  
Bahrain Police officers;  
Montenegro Police officers;  
Turkish Police Officers;

In addition, throughout the year, many Police Officers from forces representing various parts of the world have taken the opportunity to visit the Garden while attending conferences and courses with PSNI.

### **RUC GC Day**

Police officers from across the world attended the Thirteenth Annual RUC GC Day Service in St Mark's Parish Church, Newtownards on Sunday 7<sup>th</sup> June 2015 at 3pm.

Senior Officers from the FBI, Royal Canadian Mounted Police, Australian Federal Police, An Garda Siochana and a number of Great Britain police services joined members of the extended Northern Ireland police family at the service which was conducted by the Rector of the Church, the Reverend Chris Matchett. The leaders of all the four main Churches in Northern Ireland were represented and the address was delivered by the Archbishop of Armagh, the Most Reverend Richard Clarke, M.A, B.D, Ph.D. The praise was led by Newtownards Silver Band and the PSNI Ladies' Choir and there was a solo piece by Michelle Baird. A number of Primary School pupils with RUC GC family connections took part in the prayers.

Most of the 600 strong congregation was made up of widows and widowers, parents, disabled and retired members as well as relatives of deceased officers.

Dignitaries included the Lord Lieutenant for County Down, The Marquess of Salisbury, Jim Shannon MP, Lady Sylvia Hermon MP and the Deputy Chief Constable, Drew Harris OBE. The collection raised £2610 for the RUC GC-PSNI Benevolent Fund.

### **Training Day**

On Tuesday 24<sup>th</sup> November 2015, Foundation staff and Volunteers visited the recently established Museum of Orange Heritage, Schomberg House, Belfast. With its aim to 'educate, encourage understanding, address negative perceptions and build confidence with all who come to visit' it was useful to see how the Orange Institution approaches this and also how they were able to develop a museum from an existing office building. A guided tour was followed by a facilitated discussion in the Lecture Room on what had been learnt from the visit that might inform the development of the Policing Museum.

## **First Aid Training**

In January 2016, 24 volunteers received and passed a one day HSE NI Emergency First Aid at Work training course in the Foundation offices.

## **National Police Memorial Day**

The Annual Service remembering all UK police officers who died in the line of duty was held in Edinburgh on 27<sup>th</sup> September 2015.

## **Remembrance**

RUC GC Garden:- Over 200 people, including RUC GC volunteers, stakeholders and serving police officers and support staff from Police Headquarters, attended a short service of Remembrance held in the 'Area of Peace' in the Memorial Garden on Wednesday 11 November 2015. The Rev. Dr Colin McClure from First Larne Presbyterian Church led the service, which included prayers and the two minute silence at 11am. A bugler played 'The Last Post'. The Chairman of the RUC GC Foundation laid a wreath on behalf of the Trustees, while the Chief Constable laid a wreath on behalf of the PSNI.

The Memorial Garden was also open on Sunday 8 November 2015 allowing access for anyone wishing to attend. Around 20 availed of this facility.

London: - The Chairman attended the Garden of Remembrance at Westminster Abbey on 4<sup>th</sup> November 2015 for the planting of crosses and a wreath laying ceremony at Westminster Cathedral.

## **Bursary Scheme**

The RUC GC Foundation has a mandate which requires it to "mark the sacrifices and honour the achievements of the Royal Ulster Constabulary". One of the key "deliverables" which the Foundation is responsible for is a bursary scheme to support "innovations in policing". Specifically, the RUC GC Foundation Bursary Scheme provides bursaries to selected PSNI police officers and support staff to research aspects of policing which contribute to the achievement of the PSNI Chief Constable's objectives, while ensuring the good name and achievements of the RUC are appropriately remembered.

This year's Bursary scheme was officially launched in January 2015 and attracted 25 applicants. These were shortlisted by the panel to 8 projects (involving 9 people as one proposal was a joint application between 2 PSNI officers) and all 9 individuals were called for interview on Thursday 11<sup>th</sup> June 2015. Of the 8 research projects shortlisted for interview, one officer withdrew and eventually 5 applicants were successful.

During the reporting period the 5 Bursary recipients commenced their research and final reports and expenditure details will be covered in the next Annual Report.

An event is being planned for early 2017 to highlight the research results, recognise the achievements of the officers and launch the 2017/2018 Bursary Scheme.

## **Hall of Fame**

The RUC GC Foundation 'Hall of Fame' Award was presented at the RUC Athletic Association Annual Dinner on 12<sup>th</sup> May 2016. This year's entrants to the 'Hall of Fame' were Billy McCue and Liz Peters.

## **Christmas Reception**

This year the Christmas Reception was held at Newforge Country Club on Tuesday 2 December 2015. Approximately 100 members of the wider police family attended, this included Volunteer Guides, Gardeners and Interviewers as well as representatives from DPOA, NIRPOA, Widows' Association, and Parents' Association and also from RUC GC Associations. The Chief Constable and the Minister for Justice also attended.

## **Carol Service**

On Tuesday 8<sup>th</sup> December 2015 at 7.30pm the inaugural RUC GC Foundation Carol Service was held in the 'Area of Peace' in the Memorial Garden. About 150 people were in attendance including many volunteers, stakeholders, local RUC GC Association members, retired and serving police officers and police staff. The service was conducted by the Rev Dr Colin McClure from First Larne Presbyterian Church. The praise was led by members of Belfast Sydenham Salvation Army Band and members of the Police Male Voice Choir.

## **Honours and Awards**

Marion Sterritt

BEM in the Queen's Birthday Honours.

Ian Forbes

MBE in the Queen's New Year Honours.

## **Ryton Police College**

In 2005 our Patron, HRH the Prince of Wales officially opened the RUC GC Room in Bramshill, then part of the UK's College of Policing estate. However, Bramshill has now been sold and the College of Policing (CoP) has dispersed across a number of sites in England and Wales.

Recently the RUC GC Room was relocated to CoP's Ryton-on-Dunsmore site where a number of police training and development programmes are delivered. In September, RUC GC Foundation Trustee Stephen White visited the new location, which is close to Coventry, to thank those responsible for ensuring the move was carried out completely and sensitively. Stephen is pleased to report that all the original artefacts and information held in the previous Bramshill room, are now proudly on display at Ryton.

The new room is a working board room and it affords access to many users and visitors to the centre, thereby ensuring that the RUC GC story has exposure to the maximum number of people. Stephen thanked Anne Parker-Tyler (Director) and Rachel Gulwell



(Facilities Manager) for all their excellent efforts in relocating the room. The RUC GC Foundation hopes that any visitors to the area, from the RUC GC wider family and beyond, take time to visit the room. It is playing an important function ensuring that the RUC GC story (including its long co-operation with mainland forces) is not forgotten. If anyone requires further information please contact the RUC GC Foundation Office.

### VC & GC 75<sup>TH</sup> Anniversary

On Thursday 24<sup>th</sup> September, at two ceremonies in London, the 75<sup>th</sup> anniversary of the George Cross and George Medal was commemorated. RUC GC Foundation Trustee, Stephen White ACC (retired), represented the Royal Ulster Constabulary George Cross.

Early in the morning, Minister of State for Defence Earl Howe, Defence Services Secretary Major General Richard Nugee and George Cross and George Medal holders took part in a solemn wreath laying ceremony at the King George VI statue near Carlton Gardens on The Mall. Later, in the Figure Court of the Royal Hospital Chelsea, all the recipients mustered for individual presentations by HRH the Duke of Kent of a specifically commissioned commemorative coin set. The coins, which carry the head of King George VI on one and that of Queen Elizabeth II on the other, illustrate the continuity of an award which uniquely honours civilians and those members of the military and emergency services for acts of bravery where they are not “in the face of the enemy”. They then attended a service of thanksgiving and commemoration in the Royal Hospital Chapel and enjoyed lunch in the Chelsea Pensioners’ Club.

Stephen White, accepting the presentation for the RUC GC, took the occasion to brief the Duke on the sacrifices and achievements of the RUC GC Foundation. Stephen also took the opportunity to brief the High Commissioner of Malta, HE Ambassador Norman Hamilton and invited him to visit Northern Ireland – specifically the RUC GC Memorial Garden. The island of Malta is the only other collective body, like the RUC, to have been awarded the George Cross.

The events were organised by the Victoria Cross and George Cross Association. The RUC GC Foundation and the wider RUC GC family are deeply indebted to the VC and GC Association, and its Chairman Major (retired) Peter Norton GC for arranging such a fitting occasion which was a perfect combination of commemoration and remembrance. The commemorative coins will be on display at the RUC GC Foundation Office.

## **New Police Museum**

During 2015/16 The Department of Justice, the sponsor department withdrew their approval for the 2015 Museum Outline Business Case citing breaches in the conditions of approval. Trustees sought and obtained professional assistance to review the withdrawn Business Case, to carry out a full options appraisal and commence the development of a new Business Case.

Indications began to emerge that Police Service of Northern Ireland had concerns around the security of the Brooklyn site resulting from a projected increase in visitor numbers to the site and the need to mitigate these issues by the installation of additional searching and perimeter security equipment.

It became evident that the cost of these additional measures could not be funded from the existing funding envelope and, although Full Planning Approval had been received for the Museum, it is very unlikely that this option will be taken forward for further consideration.

## **Oral History Project**

Preservation of the Oral History Archive remains a priority for the Foundation while continuing to make the recordings available for research.

## **Annual Male Voice Choir Concert**

The venue for the Police Male Voice Choir this year was Glenmachan Church of God, Belfast on Saturday 19 March 2016. The Foundation hosted a reception which was attended by various organisations with links to the Foundation.

## **Other Events**

Trustees and Volunteers of the Foundation were privileged to attend and support a wide range of events held throughout the year both in Northern Ireland and further afield. These included:

- Wounded Police Book launch – Castlereagh – 1 April 2015
- Lisburn & Castlereagh City Council lunch - Lisburn - 1 April 2015
- USC Election of Officers – Cookstown – 18 April 2015
- Conference – University of Ulster – 27 April 2015
- ‘Green and Blue’ Meeting – Fermanagh – 7 May 2015

- Hebrew Students – 12 May 2015
- Ballymena GC Association – 14 May 2015
- Garda Annual Wreath Laying Service – Dublin – 16 May 2015
- NIRPOA Annual General Meeting- Maryfield – 28 May 2015
- RUC GC/PSNI Benevolent Fund Dinner – Belfast – 5 June 2015
- Legacy Project – Long Gallery Stormont – 16 June 2015
- Hendon Police College – London – 25 June 2015
- CaP Conference – England – 26 August 2015
- RIC/DMP Service – Dublin – 29 August 2015
- Kingsmill 40<sup>th</sup> Anniversary Service – 18 September 2015
- NI Veterans' Assoc Service – National Memorial Arboretum – 19 September 2015
- GC Association Service – Enniskillen – 20 September 2015
- VCGC 75<sup>th</sup> Anniversary - London – 24 September 2015
- Visit to RUC GC Room – Ryton – 25 September 2015
- National Police Memorial Day – Edinburgh – 27 September 2015
- Service of Thanksgiving for HRH The Queen– Lisburn – 27 September 2015
- Senior Officers' Club Dinner – Belfast – 2 October 2015
- Hall of Fame – Newforge – 15 October 2016
- Service University of Ulster- Jordanstown – 18 October 2015
- Festival of Remembrance – Belfast – 31 October 2015
- Westminster Remembrance – London – 4-5 November 2015
- Service of Remembrance – Coleraine – 8 November 2015
- NIRPOA Christmas Function – Maryfield – 3 December 2015
- RUC GC Widows' 'At Home' – Newforge – 5 December 2015
- Carol Service – Waringstown – 6 December 2015

- East Tyrone GC Association Carol Service – 6 December 2015
- Christian Police Association Carol Service – Garnerville – 10 December 2015
- Mayor of Lisburn Christmas Reception – Lisburn– 16 December 2015
- NW Annual Carol Service – Londonderry – 21 December 2015
- Decorum NI Carol Service and Lunch – 22 December 2016
- Visit to National Memorial Arboretum – 28 January 2016
- Thanksgiving Service – Cookstown – 31 January 2016
- Election of Officers – Fermanagh – 4 February 2016
- Widows’ Association Dinner – Coleraine - 26 February 2016
- Police Federation Event – Stormont – 1 March 2016
- European Day for Victims of Terrorism – Stormont – 14 March 2016
- CaP Conference – London – 16 March 2016

### **Staff**

During what was an extremely busy year, we must also record our thanks to our staff in the Foundation office and all those Volunteers, without whom this organisation and the other police family organisations could not operate.

We are also grateful to the Chief Constable and Senior Officers of the PSNI for their help and support, and extend our appreciation to various officials in the Department of Justice for their involved assistance.

### **Donations**

During 2015/16 the RUC GC Foundation made donations totalling £220 (2014/15: £300). Further details of the recipients and amounts donated are provided in note 15 of the accounts.

FINANCIAL REPORT YEAR ENDED 31 MARCH 2016

**FINANCIAL AND ADMINISTRATIVE INFORMATION  
AT 31 MARCH 2016**

Trustees  
Mr B Rea, Chairman and Accounting Officer  
Mr P Aiken  
Mr M Cameron  
Mr R Hussey  
Mr R McCallum  
Mr S White

Principal Office  
Brooklyn  
65 Knock Road  
Belfast  
BT5 6LE

Auditor  
Comptroller and Auditor General  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

Principal Bankers  
Danske Bank  
520 Upper Newtownards Road  
Belfast  
BT4 3HD

## Remuneration Report

### **Remuneration Policy**

The Chairman and Trustees work wholly on a voluntary basis and receive no remuneration, bonuses, or benefits- in- kind or have any pension entitlements. Likewise, Foundation volunteers are not remunerated.

The two permanent full-time members of staff, seconded from the PSNI, are subject to the same level of remuneration and terms and conditions of service within the general pay structure of the PSNI, as approved by the Department of Justice (DoJ). Note 1(i) to the accounts describes the pension policy for these staff.

### **Service Contracts**

PSNI appointments are made in accordance with the PSNI Recruitment Code, which requires appointment to be on merit, based on fair and open competition; and also describes the circumstances where appointments may otherwise be made.

The two permanent officials hold appointments, which are open ended until they reach the normal retirement age of 65 years. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Signed 

Position CHAIRMAN

Date 14 FEB., 2017

## **STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES**

Under the accounts direction issued by the Department of Justice (DoJ), the RUC GC Foundation is required to prepare for each financial year a Statement of Accounts in the form and on the basis specified by the DoJ. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the RUC GC Foundation and of its income and expenditure and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and, in particular, to:

- observe the accounts direction issued by the DoJ, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a 'going concern' basis.

The DoJ has appointed the Chairman of the RUC GC Foundation as Accounting Officer of the Foundation. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safe-guarding the RUC GC Foundation's assets, are set out in the management statement and financial memorandum issued by the DoJ.

## **GOVERNANCE STATEMENT**

### **1. Scope of Responsibility**

The RUC GC Foundation was established by virtue of Paragraph 70 of The Police (Northern Ireland) Act 2000 for the purposes of ‘marking the sacrifices and honouring the achievements of the Royal Ulster Constabulary’.

The functions of the Board of Trustees are further outlined in the RUC GC Foundation Regulations 2002 stating that ‘The Board of Trustees shall, in consultation with stakeholders, as appropriate, decide on the disbursement of funds and the funding of projects commensurate with its aims of marking the sacrifice and honouring the achievements of the Royal Ulster Constabulary and support professional development of police officers and innovations in policing’.

Since its inception the RUC GC Foundation has been an Executive Non Departmental Public Body and sponsorship responsibility fell to the Northern Ireland Office but, following the devolution of the justice function to the Northern Ireland Assembly in 2010, our sponsor department is now the Department of Justice.

The RUC GC Foundation prepares its accounts on a going concern basis. The Trustees are content that under the premises of the RUC GC Foundation Regulations 2002, this basis is appropriate for the future.

The Royal Ulster Constabulary George Cross Foundation (RUC GC Foundation) has set out in our Corporate Plan its objectives, against which it monitors its performance.

The Corporate plan is developed, discussed, reviewed and updated following the outcomes of the Annual Strategy day.

### **2. Purpose of the Governance Framework**

The Foundation operates within an effective governance framework to enable the Foundation Chairman, as Accounting Officer, to meet his responsibilities as set out in the preceding statement and to enable the Board to assure itself of the proper control of the organisation’s activities.

Being a small organisation limits the potential to separate duties between staff and therefore the Chairman performs a significant executive role in managing and controlling the affairs of the Foundation. This obliges the other Trustees to play an active and essential role in the detailed scrutiny of transactions.

Governance controls are aimed at eliminating or managing risk to a reasonable level and while our management to date has proven effective, it is kept under regular review, particularly by the independent internal auditor, who reports annually and makes recommendations to address any weaknesses identified.

There have been no Ministerial directions.



### **3. Governance Framework**

The Board, which governs the organisation, consists of a Chairman and five Trustees. These are ministerial public appointments which do not attract remuneration. Trustees, other volunteers and stakeholders give freely of their time and a range of expertise.

The stakeholders, as enshrined in the Foundation's regulations, play a critical role in the good governance of the organisation by ensuring that the needs of the wider policing family shape the services provided. As the principal funding stakeholder, the DoJ also maintains a continuous scrutiny of the Foundation's activities.

The Chairman has a key role in providing effective strategic leadership and operational oversight, including the allocation of responsibility for aspects of the Board's work and ensuring that members are fully briefed on the work of the Foundation on their appointment.

Trustee members have a corporate responsibility to ensure that the Board discharges its responsibilities effectively and in so doing, they are obliged to attend regularly the formal Board meetings and those additional meetings necessary to carry out their individual assigned duties.

Details of Trustees' attendance at governance and management meetings during the year are recorded below.

The Chairman of Trustees has met with DoJ Officials and has accounted for the Foundation's compliance with the Corporate Governance Code. There were no departures noted.

The Board adheres to DoJ requirements on all issues affecting its management and is conscious of the requirement to produce good quality data for internal Foundation consumption and that of the DoJ.

### **4. Trustees' Attendance**

Attendance details are analysed over three distinct periods to reflect the transition of Trustee membership during the year.

## TRUSTEES' ATTENDANCE – 1 April 2015 – 31 March 2016

Name	Trustees' Meetings (11)	S-Holders Group (4)	Audit Committee (2)	Guides & Volunteers (2)	Museum Project Board (0)
Brian Rea	11	4	2	2	
Peter Aiken	8	2	2	2	
Murray Cameron	10	4	1	2	
Ross Hussey	3	0	N/A	0	
Roger McCallum	10	3	N/A	1	
Stephen White	7	2	N/A	2	

### 5. DoJ Governance Meetings

Quarterly governance meetings take place between the Foundation Chairman, as Accounting Officer, and key DoJ personnel to monitor the Foundation's performance and ensure strategic objectives are being met.

### 6. Audit Committee

The Audit Committee is chaired independently by a qualified accountant and experienced Chairperson and also comprises two Foundation Trustees. The committee, which meets quarterly, advises the Board of Trustees on all matters relating to internal control, including the effectiveness of monitoring processes and whether reliance can be placed on internal control systems. The committee's work is informed mainly by the independent findings and advice of the internal auditor and NIAO, the external auditor. It also scrutinises other detailed reports prepared by the Accounting Officer and his staff and government guidance on matters of audit and accountability.

This committee makes recommendations to the Board in relation to accounting policies, and draws attention to the implication of recommendations and findings of both internal and external auditors, as appropriate.

Particular attention is given to the review of;

- Board's risk management systems
- Annual audit plans and reports' findings
- Foundation's draft accounts before submission to the Department of Justice, the Board of Trustees and the NIAO.
- Foundation policies e.g. gifts & hospitality, counter fraud etc.

There have been no adverse reports issued by the Audit Committee during the year.

## **7. Significant Internal Control Issues**

There were no significant internal control issues identified during the year.

## **8. Current and Emerging Risks**

The Foundation maintains a proportionate risk management system which includes a schedule of prioritised risks, with appropriate management action plans. The most significant current risks are the effective management of the Museum Project and the lack of administrative capacity within the Foundation inherited by the incoming Chairman and Board of Trustees.

During this year the Department of Justice withdrew approval for the Museum Outline Business Case citing breaches in the conditions of approval. During the process of a review and development of a new Business Case, indications began to emerge of concerns the PSNI had around security of the Brooklyn site resulting from a projected increase in visitor numbers to the site and the need to address these issues by the installation of additional security equipment.

It became increasingly evident that the cost of these additional measures could not be funded from the existing funding available and, although full planning approval has been received for the Museum on the Brooklyn site, it is unlikely that this option will be taken forward.

## 9. Accounting Officer Statement on Assurance

The Board of Trustees are conscious of the need to perform to their highest level and are open and transparent, expressing their views and constantly reviewing their personal performances at meetings of the Trustees. The Chairman completes an assessment of the performance and effectiveness of each Trustee and these are submitted to the Department of Justice. The Chairman's performance and effectiveness is assessed and reported on by a DoJ Senior Official. There have been no adverse comments.

Since its inception the Foundation has secured an independent internal audit service from a reputable external firm of accountants. For the year under review, the independent internal auditor provided a satisfactory level of assurance on the Foundation's system of internal control. Since 2013/14, the Foundation's internal audit service has been provided by the Internal Audit Branch of the DoJ. While this is a new departure from previous arrangements, as Accounting Officer I have agreed a new audit plan and this has been endorsed by our Audit Committee.

For each of its twelve years the Foundation has had an unqualified report from Government's external auditor (National Audit Office to 2009/10; and Northern Ireland Audit Office from 2010/11).

Each year the Board reflects on its own effectiveness through consideration of feedback from stakeholders, including the DoJ, and through assessment of individual Trustee's contribution by the Foundation Chairman.

As the Foundation operates from the secure environment of PSNI Headquarters with well protected office accommodation and police computer network, I am confident that we operate in a physically secure environment. Staff members are very experienced in working within the police environment and continue to be updated on developments to improve the security of information held and used by the Foundation.

Having reviewed the financial year to 31 March 2016, including the risk register, Trustees' and stakeholders' observations, the findings and advice of the Audit Committee, the reports of the internal and external auditors, I am satisfied that the Board of Trustees has maintained sound systems of governance for the financial year 2015/16.

Signed 

Date 14 FEB 2017

Position CHAIRMAN

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Royal Ulster Constabulary George Cross Foundation  
**THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

I certify that I have audited the financial statements of the Royal Ulster Constabulary George Cross Foundation for the year ended 31 March 2016 under the Royal Ulster Constabulary GC Foundation Regulations 2002, as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2008 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010. These comprise the Statement of Financial Activities, the Balance Sheet and the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

**Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chairman as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to examine, certify and report on the financial statements in accordance with the Royal Ulster Constabulary GC Foundation Regulations 2002, as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2008 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Royal Ulster Constabulary George Cross Foundation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the incoming and outgoing resources including resources expended and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

**Opinion on regularity**

In my opinion, in all material respects the incoming resources and application of outgoing resources including resources expended and income have been applied to the purposes intended by the Assembly and the financial transactions conform to the authorities which govern them.

## Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Royal Ulster Constabulary George Cross Foundation's affairs as at 31 March 2016 and of its incoming resources and resources expended, balance sheet and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Royal Ulster Constabulary GC Foundation Regulations 2002, as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2008 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010 and Department of Justice directions issued thereunder.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Justice directions made under the Royal Ulster Constabulary GC Foundation Regulations 2002, as amended by the Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2008 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010; and
- the information given in the Chairman's and Trustee's Report and the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

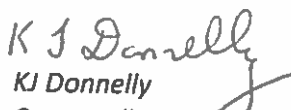
## Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance's guidance.

## Report

I have no observations to make on these financial statements.

  
KJ Donnelly  
Comptroller and Auditor General  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

14 March 2017

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016

	Unrestricted Funds	Restricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£	£
<b>Incoming Resources (Note 2)</b>				
<i>Incoming Resources from generated funds</i>				
<i>Grant in Aid</i>	339,000	100,000	439,000	162,000
Donations	4,998	-	4,998	1,553
Bank Interest Received	16	-	16	60
<i>Incoming Resources from charitable activities</i>	9,687	-	9,687	2,069
<b>Total Incoming Resources</b>	<u>353,701</u>	<u>100,000</u>	<u>453,701</u>	<u>165,682</u>
<b>Resources Expended (Note 3)</b>				
<i>Costs of generating funds</i>				
Costs of generating voluntary income	9,491	-	9,491	2,779
<i>Charitable activities</i>	113,714	153,206	266,920	85,904
<i>Governance Costs</i>	36,190	-	36,190	39,083
<b>Total Resources Expended</b>	<u>159,395</u>	<u>153,206</u>	<u>312,601</u>	<u>127,766</u>
<b>Net (Outgoing)/Incoming Resources for the Year</b>	194,306	(53,206)	141,100	37,916
Total Funds Brought Forward	72,945	62,000	134,945	97,029
Transfer in funds	-	-	-	-
<b>Total Funds Carried Forward</b>	<u>267,251</u>	<u>8,794</u>	<u>276,045</u>	<u>134,945</u>

There were no recognised gains and losses other than the net movement in funds reported above.  
All amounts above relate to the continuing activities of the Royal Ulster Constabulary GC Foundation.

The notes on pages 34 to 45 form part of these financial statements.

BALANCE SHEET AT 31 MARCH 2016

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible Assets	5	211,072	334,123
		<u>211,072</u>	<u>334,123</u>
<b>CURRENT ASSETS</b>			
Stock	6	8,891	17,360
Debtors	7	5,468	6,418
Cash at Bank and in Hand	8	108,179	84,977
		<u>122,538</u>	<u>108,755</u>
<b>CURRENT LIABILITIES: amounts falling due within one year</b>	9	57,565	307,933
		<u>57,565</u>	<u>307,933</u>
<b>NET CURRENT ASSETS</b>		64,973	(199,178)
		<u>64,973</u>	<u>(199,178)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		276,045	134,945
<b>NET ASSETS</b>		<u>276,045</u>	<u>134,945</u>
<b>Financed by:-</b>			
<b>FUNDS</b>			
Unrestricted Funds	10	267,251	72,945
Restricted Funds	11	8,794	62,000
<b>TOTAL FUNDS</b>		<u>276,045</u>	<u>134,945</u>

The notes on pages 34 to 45 form part of these financial statements.

The financial statements were approved by the trustees and signed on their behalf by:

Accounting Officer 

Date 14 FEB. 2017



## CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

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	Notes	2016 £	2015 £
Net Cash Inflow/ (Outflow) from Operating Activities	13	68,346	297,258
<b>Capital Expenditure</b>			
Payments to acquire Fixed Assets		<u>(45,144)</u>	<u>(308,560)</u>
(Decrease)/Increase in Cash during the Year		<u>23,202</u>	<u>(11,302)</u>

The notes on pages 34 to 45 form part of these financial statements.

**1. ACCOUNTING POLICIES**

**(a) Basis of Accounts.**

The financial statements have been prepared on an accruals basis in accordance with the accounts direction given by the DoJ and in accordance with Article 11 of the Royal Ulster Constabulary Foundation Regulations 2002. The accounts are prepared using the modified historic cost convention and follow the requirements of the Government Financial Reporting Manual (FrEM).

**(b) Accounting Conventions.** The accounts have been prepared in accordance with:-

- (i) the accounting and disclosure requirements of the Statement of Recommended Practice 2005 (SORP) "Accounting and Reporting by Charities" to the extent that such requirements are appropriate to the Foundation and are in line with the requirements of the accounts Direction.
- (ii) Standards issued by the Accounting Standards Board.
- (iii) Disclosure and accounting requirements of the DOF.
- (iv) The accounting and disclosure requirements of the accounts direction and conditions of grant issued to the Foundation by the DoJ.

**(c) Income** - All income is accounted for on a receivable basis. Grant-in-Aid from the DoJ unless for one-off specified purposes is allocated to the general fund and is taken to the Statement of Financial Activities for the year in which it relates. Bank interest is accounted for on an accruals basis.

**(d) Resources Expended** - Expenditure is classified under the principal categories of charitable and other activities, rather than the type of expense in order to provide more useful information to users of the financial statements. Charitable expenditure and governance costs comprise direct expenditure including direct staff costs attributable to the activities. Where costs cannot be directly attributable they are allocated to the activities on an equally spread basis as the amount of money is considered small.

**(e) Fixed Assets and Depreciation**

The RUC GC Foundation's policy is to capitalise all fixed assets and initially record them at cost. Assets Under Construction are not depreciated.

Depreciation is calculated to write off the cost of fixed assets on the following basis:

IT Equipment & Software 25% straight line

Fixtures & Fittings 20% straight line

Memorial Garden 10% straight line

Assets Under Construction 0%

No adjustment has been made for the revaluation of fixed assets on the grounds that it would not have a material impact on the accounts.

**(f) Cash and Cash equivalents**

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the statement of Financial position, bank overdrafts are shown within borrowings in current liabilities.

**(g) Fund Accounting**

The Foundation has various types of funds for which it is responsible and which require separate disclosure. These are as follows:-

**(i) Restricted Funds**

Donations received which are designated by the donor for specific reasons. Such purposes are within the overall aim of the organisation.

**(ii) Unrestricted Funds**

Funds which are expendable at the discretion of the Foundation in furtherance of the objects of the Foundation.

**(iii) Designated Funds**

Funds which are expendable at the discretion of the Foundation and have been designated for a particular purpose.

**(h) Value Added Tax**

The Foundation is not eligible to register for VAT and all costs are shown inclusive of VAT.

**(i) Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. The Foundation carries a number of items for distributions as gifts; these items are branded and have either nil or negligible realisable value and are therefore not included in the valuation of stock.

**(j) Pensions**

Past and present employees are covered by the provisions of the Civil Service Pension Schemes. The defined elements of the schemes are unfunded and are non-contributory except in respect of dependent's benefits. The parent organisation recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes NI (PCSPS (NI)) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS (NI). In respect of the defined contribution elements of the schemes, the organisation recognises the contributions payable for the year.

**(k) Accounting standards, interpretations and amendments to published standards and FReM issued and effective in 2015-16 for the first time**

The RUC GC Foundation has reviewed the standards, interpretations and amendments to published standards and FReM that became effective during 2015-16. The adoption of these standards are either not relevant to the RUC GC Foundation's operations or have not had a significant impact on the financial position or results of the RUC GC Foundation.

**(l) Accounting standards, interpretations and amendments to published standards not yet effective**

The RUC GC Foundation has reviewed the additional or revised accounting standards and new (or amendments to) interpretations contained within the Government Financial Reporting Manual (FReM) 2015/16 and considers that these changes are not relevant to its operations.

**(m) Financial Reporting – Future Developments**

In addition, there are a number of future developments that may impact the RUC GC Foundation including:

Standard (amendment/new)	Effective date and FReM application	Description of revision	Comments
IFRS 15 - Revenue from Contracts with Customers  (IAS 18 replacement - Revenue Recognition and Liabilities Recognition)	1 January 2017 (not yet EU adopted) but could be 1 January 2018.  With a view to include in the 2017-18 FReM.	The disclosure objective of the new Standard is to establish the application principles required for entities to report useful information to the users of financial statements to better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. The core principle recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The Standard sets out five steps to recognise	The introduction of IFRS 15 is subject to analysis and review by HM Treasury and other Relevant Authorities. A work plan recently began to assess the impact on the public sector.

		revenue and also includes requirements for accounting for contract costs.	
IFRS 16 - Leases (IAS 17 Leases replacement) (new)	1 January 2019 (not yet EU adopted) - with a view to include in the 2019-20 FReM.	IFRS 16 has been developed by the IASB with the aim of improving the financial reporting of leasing activities in light of criticisms that the previous accounting model for leases failed to meet the needs of users of financial statements. IFRS 16 largely removes the distinction between operating and finance leases for lessees by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. This is a significant change in lessee accounting.	The introduction of IFRS 16 is subject to analysis and review by HM Treasury and the other Relevant Authorities. HM Treasury will issue an Exposure Draft on IFRS 16 in advance of the effective date.

## 2) Incoming Resources

### a) Analysis of incoming resources from generated funds

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Grant in Aid	339,000	100,000	439,000	162,000
Donations	4,998	-	4,998	1,553
Bank Interest Received	16	-	16	60
	<u>344,014</u>	<u>100,000</u>	<u>444,014</u>	<u>163,613</u>

### b) Analysis of incoming resources from charitable activities

Heritage Lottery Fund	-	-	-	-
Sales Income	9,687	-	9,687	2,069
Other Income	-	-	-	-
	<u>9,687</u>	<u>-</u>	<u>9,687</u>	<u>2,069</u>

## 3) Resources expended

### a) Analysis of costs of generating voluntary income

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Guide Expenses	411	634
Promotional Booklet	9,080	2,145
	<u>9,491</u>	<u>2,779</u>

**b) Analysis of Charitable & Governance costs**

	<b>Staff costs</b>	<b>Support costs</b>	<b>Other direct costs</b>	<b>Total 2016</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>					
Bursary Grant	3,745	-	6,113	9,858	3,831
Hospitality	7,684	2,315	669	10,668	14,333
Annual Church Service	8,866	2,315	1,442	12,623	8,226
Concerts & Reception	982	2,315	154	3,451	941
Newforge Reception	-	2,315	673	2,988	1,150
Promotional Gifts	-	2,314	1,071	3,385	4,940
Garden Exps & Maintenance	14,282	2,314	26,879	43,475	33,029
Museum	-	2,314	-	2,314	362
Special Events	8,339	2,314	3,808	14,461	14,484
National Memorial Arboretum	-	2,315	-	2,315	362
Oral History Project	-	2,314	213	2,527	944
Donations	3,115	2,314	220	5,649	3,302
	<b>47,013</b>	<b>25,459</b>	<b>41,242</b>	<b>113,714</b>	<b>85,904</b>
Governance	17,239	2,314	16,637	36,190	39,083
<b>Total of Unrestricted costs</b>	<b>64,252</b>	<b>27,773</b>	<b>57,879</b>	<b>149,904</b>	<b>124,987</b>
<b>Restricted funds</b>					
90th Anniversary	-	-	-	-	-
Police Museum	-	143,674	9,532	153,206	-
<b>Total of Restricted costs</b>	<b>-</b>	<b>143,674</b>	<b>9,532</b>	<b>153,206</b>	<b>-</b>
	<b>64,252</b>	<b>171,447</b>	<b>67,411</b>	<b>303,110</b>	<b>124,987</b>

**c) Analysis of support costs**

	<b>Admin &amp; Sundry</b>	<b>Postage &amp; Stationery</b>	<b>Depreciation Costs</b>	<b>Total 2016</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bursary Grant				-	-
Hospitality	145	126	2,044	2,315	363
Annual Church Service	145	126	2,044	2,315	363
Concerts & Reception	145	126	2,044	2,315	363
Newforge Reception	145	126	2,044	2,315	363
Promotional Gifts	145	126	2,043	2,314	362
Garden Exps & Maintenance	145	126	2,043	2,314	362
Museum	145	126	2,043	2,314	362
Special Events	145	126	2,043	2,314	362
National Memorial Arboretum	146	126	2,043	2,315	362
Oral History Project	146	125	2,043	2,314	362
Donations	146	125	2,043	2,314	361
Governance	146	125	2,043	2,314	360
	<b>1,744</b>	<b>1,509</b>	<b>24,520</b>	<b>27,773</b>	<b>4,345</b>

**d) Analysis of governance costs**

	<b>Total 2016</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>
Legal & professional fees	2,940	2,940
Audit fees	8,000	9,000
Costs of AGM & Trustee travel etc	5,697	9,614
Apportionment of staff and support costs	19,553	17,529
	<b>36,190</b>	<b>39,083</b>

#### 4. STAFF COSTS AND NUMBERS

Wages represent amounts paid to the Police Service of Northern Ireland (PSNI) for two PSNI staff on secondment to the Foundation. Trustees, including the chairman/accounting officer, receive no remuneration nor are there any directly employed staff.

The Foundation meets all of the staff costs for seconded staff as these are incurred. Although these costs are fully re-charged to the Foundation, the PSNI remains the permanent employer with responsibility for their pay, allowances and pension. Details of pension benefits for PSNI Police Staff can be found in the PSNI Annual Report and Accounts for the year ended 31 March 2016.

Amounts payable are in respect of staff on secondment.

	Y/E 31/03/16	Y/E 31/03/15
Total staff Costs	64,252	60,712
Average Number of staff	2	2

#### 5. TANGIBLE FIXED ASSETS

	ASSETS UNDER CONSTRUCTION	MEMORIAL GARDEN	IT EQUIPMENT	FIXTURES & FITTINGS	TOTAL
	£	£	£	£	£
<b>COST</b>					
At 1 April 2015	123,560	207,400	19,245	797	351,002
Additions	20,114	24,740	290		45,144
Cost at 31 March 2016	143,674	232,140	19,535	797	396,146
<b>DEPRECIATION</b>					
At 1 April 2015	-	-	16,243	636	16,879
Provided during the Year	-	23,214	1,146	161	24,521
Impairment Charge	143,674	-	-	-	143,674
Cost at 31 March 2016	143,674	23,214	17,389	797	185,074
<b>NET BOOK VALUE</b>					
At 31 March 2016	-	208,926	2,146	-	211,072
At 31 March 2015	123,560	207,400	3,002	161	334,123

#### 6. STOCK

	2016 £	2015 £
Stock	<u>8,891</u>	<u>17,360</u>



<b>7. DEBTORS</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Debtors	63	63
Prepayments and Accrued Income	314	332
Other Debtors	5,091	6,023
	<u>5,468</u>	<u>6,418</u>

**7.1 Intra-Government balances:**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Balances with other central government bodies	-	-
Balances with local authorities	-	-
Balances with NHS bodies	-	-
Balances with public corporations and trading funds	-	-
Subtotal: intra-government balances	-	-
Balances with bodies external to government	5,468	6,418
	<u>5,468</u>	<u>6,418</u>

**8. CASH AT BANK AND IN HAND**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	108,179	84,977
	<u>108,179</u>	<u>84,977</u>

**9. CREDITORS & ACCRUALS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade Creditors	35,662	258,444
Accruals	21,903	49,489
	<u>57,565</u>	<u>307,933</u>

**9.1 Intra-Government balances:**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Balances with other central government bodies	-	28,426
Balances with local authorities	-	-
Balances with NHS bodies	-	-
Balances with public corporations and trading funds	-	-
Subtotal: intra-government balances	-	-
Balances with bodies external to government	57,565	279,507
	<u>57,565</u>	<u>307,933</u>

## 10. RECONCILIATION OF UNRESTRICTED FUNDS

	2016 £	2015 £
Balance at 1 April 2015	72,945	87,029
Net (Outgoing)/Incoming Resources	194,306	(14,084)
Transfers to Restricted Funds	-	-
Balance at 31 March 2016	<u>267,251</u>	<u>72,945</u>
Analysis of Unrestricted reserves at 31 March 2016		
Designated reserves		
Free reserves	267,251	72,945
	<u>267,251</u>	<u>72,945</u>

## 11. RECONCILIATION OF RESTRICTED FUNDS

Fund	01/04/2015	Incoming Resources	Outgoing Resources	Transfers	2016	2015
Police Museum	62,000	100,000	(153,206)		8,794	62,000

## 12. RELATED PARTY TRANSACTIONS

The Royal Ulster Constabulary GC Foundation is an executive Non Departmental Public Body sponsored by the Department of Justice (DoJ). In the year to 31 March 2016 the grants received from the DoJ amounted to £339,000 (2015:£110,000).

Other than the reimbursement of travelling expenses, none of the trustees has undertaken any material transactions with the Foundation during the year. Reimbursement of travelling expenses to 6 trustees (2015:6) amounted to £10,761 (2015:£9,614).

**13. RECONCILIATION OF RESULT FOR THE PERIOD TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Result for the period ended 31 March	141,100	37,916
Depreciation	168,195	1,318
(Increase)/Decrease in Stock	8,469	(8,424)
(Increase)/Decrease in Debtors	950	(4,752)
Increase/ (Decrease) in Creditors	<u>(250,368)</u>	<u>271,200</u>
	<u>68,346</u>	<u>297,258</u>

**14. CAPITAL COMMITMENTS**

As at 31 March 2016 the Royal Ulster Constabulary G C Foundation had no capital commitments.

**15. COMMITMENTS UNDER OPERATING LEASES**

As at 31 March 2016 the Royal Ulster Constabulary GC Foundation had no commitments under operating leases (2015:£Nil).

**16. DONATIONS**

The following donations were made by the Foundation during the year ended 31 March 2016.

Newtownards Branch GC Association	£ 50.00
Sydenham Salvation Army Band	£ 100.00
John Hesketh	<u>£ 70.00</u>
<b>Total</b>	<b><u>£ 220.00</u></b>

The following donations were made by the foundation during the year ended 31 March 2015.

East Tyrone Branch GC Association	£ 50.00
Coleraine Branch GC Association	£ 50.00
Ballymena Branch GC Association	£ 50.00
Newtownards Branch GC Association	£ 50.00
Banbridge Branch GC Association	£ 50.00
Enniskillen Branch GC Association	<u>£ 50.00</u>
<b>Total</b>	<b><u>£ 300.00</u></b>

## 17. CONTINGENT LIABILITIES

As at 31 March 2016 the Royal Ulster Constabulary GC Foundation has no contingent liabilities (2015:£Nil).

## 18. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

## 19. IMPAIRMENT LOSSES AND SPECIAL PAYMENTS

During 2015/16 the sponsor department withdrew approval for the 2012 museum Business Case, citing breaches in the conditions of approval. A review of the Business Case has commenced and the sponsor department has provided a resource to take this forward.

A full options appraisal is underway. Indications are that the previous design concept is unaffordable (within the existing funding envelope) and it is unlikely that this option will be taken forward for further consideration.

At this point the trustees are satisfied that there will be a permanent diminution in the value of the assets under construction at the balance sheet date and have adjusted the financial statements accordingly to show impairment losses of £143,674.

The impairment losses are shown within the restricted charitable activities support costs.

There were no special payments during the year ended 31 March 2016 (2015:£Nil).

## 20. FINANCIAL INSTRUMENTS

FRS13, Derivatives and Other Financial Instruments, requires disclosure of the role which financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. Due to the non-trading nature of its activities and the way in which Non-Departmental Public Bodies are financed, the Royal Ulster Constabulary GC Foundation is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which FRS13 mainly applies. The Foundation has limited year end flexibility. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Foundation in undertaking its activities.

As permitted by FRS13, debtors and creditors which mature or become payable within 12 months from the balance sheet date have been excluded from this disclosure.

## Liquidity Risk

The Foundation is financed by the DoJ and is accountable to the NI Assembly through the Minister of Justice for Northern Ireland and is therefore not exposed to significant liquidity risk.

## Interest Rate Risk

All financial assets and financial liabilities of the Foundation with the exception of the No.2 Bank Account carry nil rates of interest and are therefore not exposed to interest-rate risk. The No.2 Bank Account attracts a variable rate of interest payable quarterly.

## Currency Risk

The Foundation does not trade in foreign currency and therefore has no exposure to foreign currency risk.

## 21. NET ASSETS BY FUNDS

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed Assets</b>	<b>211,072</b>	<b>-</b>	<b>211,072</b>	<b>334,123</b>
<b>Current Assets</b>	<b>108,468</b>	<b>9,006</b>	<b>117,474</b>	<b>108,755</b>
<b>Liabilities</b>	<b>(54,353)</b>	<b>(212)</b>	<b>(54,565)</b>	<b>(307,933)</b>
<b>Net Assets</b>	<b>265,187</b>	<b>8,794</b>	<b>273,981</b>	<b>134,945</b>

## DATE OF AUTHORISATION FOR ISSUE

The annual report and accounts were authorised to be issued on 14/2/17 by the Accounting Officer.

The Trustees would like to express their gratitude to all who have assisted or supported the Foundation in any way during the past year.

The Foundation can be contacted as follows:

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