
The Chief Constable for Wiltshire

Statement of Accounts



2015/2016

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Narrative Report

The Chief Constable for Wiltshire Police is required to publish an Annual Statement of Accounts. The Statement is presented in a format which complies with International Financial Reporting Standards (IFRS), the Code of Practice on Local Authority Accounting 2015/16, the Service Reporting Code of Practice 2015/16 and the Accounts and Audit Regulations 2015.

The accounts, which follow, show the Chief Constable's (CC) financial results for 2015/16. Comparative figures for 2014/15 are also shown. The Chief Constable for Wiltshire is part of the Police and Crime Commissioner for Wiltshire's Group; to get a full understanding of Wiltshire Police as a whole these accounts should be viewed alongside the Group Statement of Accounts (published separately).

The Statement of Accounts also reflect the local arrangements in place for Wiltshire Police and the guidance and regulations provided through the Police Reform and Social Responsibility Act 2011, the Financial Management Code of Practice for the Police Service 2012, Financial Regulations for the Police and Crime Commissioner for Wiltshire's Group and the scheme of delegation between Police and Crime Commissioner and the Chief Constable.

The Office for the Police and Crime Commissioner for Wiltshire and the Chief Constable for Wiltshire Police.

The Police Reform and Social Responsibility Act 2011 sets out requirements for the Office of the Police and Crime Commissioner for Wiltshire (OPCC) and the Chief Constable for Wiltshire (CC) as two separate legal entities (corporations sole).

For accounting purposes the concept 'substance over form' requires that the economic substance of transactions and events must be recorded in the financial statements rather than just their legal form in order to present a true and fair view of the affairs of the entity. These accounts are produced in line with this concept and present the entity's financial position as set out in its financial regulations, scheme of delegations and other local arrangements.

The Chief Constable has full operational control of Officers and staff with the exception of the OPCC staff and the related costs are disclosed in the Chief's Comprehensive Income and Expenditure Statement (CIES). The Police and Crime Commissioner has strategic control of all assets and liabilities and is responsible for establishing reserves and controlling all Cashflow. Due to this there are no balances or transactions recognised in the Chief Constable's Movement in Reserves Statement or Cashflow Statement.

Although the Police and Crime Commissioner is responsible for all assets and liabilities, in order to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. This is balanced with a long term pension debtor of equivalent value to the pension liability to recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long term liabilities. The Chief Constable's net assets/liabilities will always balance to zero. To represent the Chief Constable's use of the PCC's assets, the CC receives charges equivalent to the running costs and capital financing incurred by the PCC. This charge is recognised in the Comprehensive Income and Expenditure Statements.

In the CIES, the financial resources consumed at the request of the Chief Constable are offset by an intra-group adjustment to reflect the Commissioner's funding of these resources.

The main features of the accounts are:

- **The Annual Governance Statement** – gives an assessment of internal control procedures.
- **The Statement of Accounting Policies** – explains the basis of the figures in the accounts.
- **The Comprehensive Income and Expenditure Statement** – summarises the income and expenditure on all services and brings together all the recognised gains and losses of the Chief Constable in the year.
- **The Movement in Reserves Statement** – shows the movement in the year on the different reserves held by the Chief Constable; the Chief Constable does not manage any of these reserves and accordingly there is no movement shown in this statement.
- **The Balance Sheet** – sets out the financial position of the Chief Constable at 31 March 2016.
- **The Cash Flow Statement** – consolidates the total movement of the Chief Constable's funds. All Bank accounts, investments and other funds are held and managed by the Police and Crime Commissioner for Wiltshire; the Chief Constable's Cash Flow Statement has no movement.
- **The Police Pensions Fund Account** – summarises Pensions movements for the year. The Chief Constable is responsible for administering and maintaining the Pension Funds.

Financial Position

All income is receipted into Bank accounts maintained by the Police and Crime Commissioner for Wiltshire. The transactions in the accounts of the Chief Constable are financed with an intra Group adjustment between the Chief's Comprehensive Income and Expenditure Statement (CIES) and the CIES of the Police and Crime Commissioner for Wiltshire.

The total amount of the Chief Constable's net cost of policing funded by an intra Group adjustment for 2015/16 was £131.397 million.

Pensions

Liabilities exist for Police Officers who have or are currently contributing funds towards a future pension. The Police Officers Pension schemes are unfunded schemes. The scheme rules of funding result in Police Forces paying 24.2% of Police pay as a pension contribution. Any variation, over or under, e.g. variation from pensions actually paid, is financed by an increased or reduced specific pensions grant. Support Staff pensions are financed through a funded scheme.

Future Finances

Medium-term strategic plans were reported to the Commissioner's Monitoring Board on 8 December 2014. These identified a shortfall of £2.3m and £5.5m between 2016/17 and 2019/20. These shortfalls are due to increasing costs whilst Government funding remains cash neutral and will change when the actual funding for 2017/18 is announced in 2016.

Statement of Responsibilities for the Statement of Accounts

The Chief Constable is required:

- To make arrangements for the proper administration of its financial affairs and to ensure that one of its officers (Chief Finance Officer) has the responsibility for the administration of those affairs.
- To manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- To approve the Statement of Accounts.

I confirm that these accounts have my approval.



M Veale, Chief Constable for Wiltshire Police

Date: 8th September 2016

The Chief Finance Officer

The Chief Finance Officer is responsible for the preparation of the Chief Constable's Statement of Accounts in accordance with proper practice as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (" the Code of Practice ").

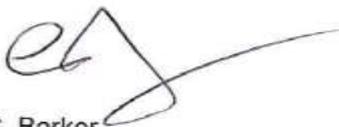
In preparing the statement of accounts, the Chief Finance Officer has:

- Selected suitable accounting policies and applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code.

The Chief Finance Officer has also:

- Ensured that proper accounting records were kept up-to-date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that I believe the Statement of Accounts presents a true and fair view of the financial position of the authority as at 31 March 2016 and its income and expenditure for the year ended 31 March 2016. Events that have occurred after the balance sheet date have been considered to the date of approval.



C. Barker
Chief Finance Officer

Date: 8th September 2016

For further information concerning any items contained in this Statement, please write to Chief Finance Officer, Police HQ, London Rd, Devizes, Wiltshire, SN10 2DN, or telephone (01380) 734023.

Chief Constable for Wiltshire

Annual Governance Statement

The position as at 31 March 2016.

1. SCOPE OF RESPONSIBILITIES

The Police and Crime Commissioner (PCC) is responsible for the totality of policing in Wiltshire and Swindon. It is his duty to secure efficient and effective policing for Wiltshire and Swindon. The PCC is responsible for ensuring that a police service is delivered in accordance with the law and proper standards. The PCC is also responsible for ensuring that public money is safeguarded and properly accounted for and used to provide services economically, efficiently and effectively. The PCC is also responsible for ensuring that a sound system of internal control is maintained throughout the year and that arrangements are in place for the management of risk. With the Chief Constable (CC) being a separate corporate sole there is a requirement for both parties to produce a governance statement. The CC's statement illustrates the governance in place to ensure his responsibilities are fulfilled to the PCC. The PCC's statement reports on how he fulfils his duties to the public of Wiltshire.

The Financial Management Code of Practice for the Police Service states that the CC is responsible to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force.

The PCC has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework: *Delivering Good Governance in Local Government*. This statement explains how the PCC has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended.

2. THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems, processes, culture and values by which the Office of the PCC (OPCC) and CC operate. It includes the activities through which the PCC engages with and reports to the community. It enables the OPCC to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

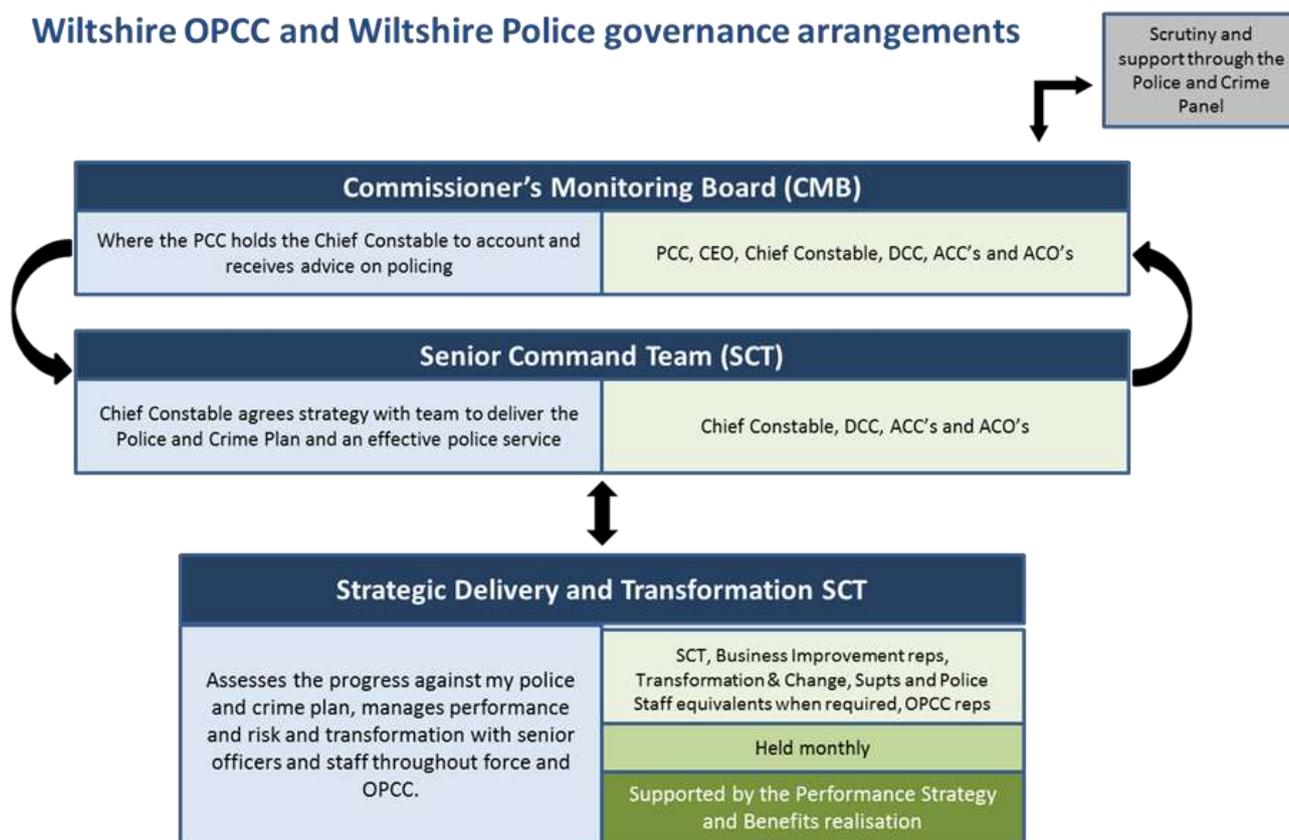
The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It is an ongoing process designed to identify and prioritise the risks to the achievement of the CC and PCC's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically. The governance framework has been in place for the year ended 2015-16.

3. THE GOVERNANCE FRAMEWORK

The Chief Constable is responsible to the PCC for the delivery of operational policing. The PCC holds him to account for the exercise of those functions and those of the persons under his direction and control. The PCC must be satisfied that the Force has appropriate management mechanisms in place, and that these operate in practice.

The overarching structure of governance is shown in the illustration below.

Wiltshire OPCC and Wiltshire Police governance arrangements



The principal areas that comprise the governance framework are:

- The Commissioner's Monitoring Board
- The Independent Audit Committee
- The Scheme of Governance (incorporating Financial and Contract regulations)
- Performance Reporting
- Risk Management
- Professional Standards

The **Commissioners Monitoring Board (CMB)** is key in ensuring strong governance. The Board receives reports on performance, risk, the capital and revenue position and it approves all significant spending decisions. This ensures the PCC is aware of current risks and issues and reviews areas and calls for reports. These reports do not stray into areas where the CC is operationally independent. CMB is attended by the PCC, the PCC's Chief Executive and all Force Chief Officers including the joint Chief Finance Officer. In addition to this the PCC meets with the Head of Performance and Chief bi-weekly to review progress.

The **Independent Audit Committee's** statement of purpose is to provide independent assurance on the adequacy of the corporate governance and risk management arrangements in place and the associated control environment, advising according to good governance principles and proper practices. This committee has 5 independent members and is attended by External Audit, Internal Audit and the Chief Financial Officer.

The Internal Budget Book identifies the authority to spend and the responsibilities of a Budget Holder. As well as setting out the framework of Budgetary Control, the Budget Book also advises staff on procurement, identifying the process to be followed for different types of goods and services within **The Scheme of Governance** (incorporating Financial and Contract regulations) setting the framework for lawful expenditure, delegation and achieving value for money financial thresholds.

The Budget Book is the framework set by the Chief Finance Officer to ensure all purchases are in line with the Police and Crime Plan and that Value for Money is achieved. The PCC and Chief Constable share a Chief Finance Officer; this enables clear messages to be given on control procedures and ensures strategic leadership surrounding future financial planning. To date no conflict has arisen as a result of a single officer reporting to two principals. However the possibility of this had been considered and a resolution process provided for in the Scheme of Governance. It is important to note that the CC's financial management

arrangements conform to all good governance requirements, including the CIPFA Statement on the role of the Chief Finance Officer in Local Government (2010) as set out in the Application Note to Delivering Good Governance in Local Government: Framework

In 2014-15 there was a move to reporting performance on a qualitative basis rather than quantitative. This change is based on the evidence that targets can lead to perverse behaviours which are not in line with the organisation's objectives. This cultural change in performance monitoring is being promoted by the PCC and the Chief Constable. Force performance is communicated internally via Chief Constable blogs and monthly performance reports available to all staff on the intranet. An interactive tool (Qlikview) is used by operational officers to identify local issues, this enables officers to drill down to specific crimes if required. Where issues are identified, exception reporting occurs using the agreed performance analysis tool. Monthly **performance reporting occurs** at the Strategic Delivery and Transformation SCT. The meeting which is chaired by the Chief Constable receives updates on priority items and exception reports. Matters are reported to the Senior Command Team meeting and CMB in exceptional circumstances

Risk Management continues to have a high profile. Each department and major project is expected to have an up to date Risk Register. Significant Risks are managed upwards towards the Corporate Risk Register which is reviewed monthly at the Strategic Delivery and Transformation SCT.

A Risk Management Strategy and Policy is in place. This identifies the risks in obtaining our goals and a requirement to manage them well. The published Practitioner's Guide helps managers across the force understand the process and what they are required to follow. The guide recommends a 5 step approach to reduce vulnerability to risk. This is summarised as:

- Identify – the most significant risks that could affect the service
- Assess – agree ownership and response to the risk
- Respond – taking action (if assessment deems that appropriate)
- Monitor and Review – observe and update risk score post action
- Report – using risk registers and reporting structures

As part of the Governance framework, a section on risk is included in each paper presented to CMB.

The **Professional Standards** Department is an essential part of the Governance Framework facilitating whistle blowing via anonymous reporting and investigating complaints. The comprehensive Professional Standards intranet site provides information to our staff on all areas of standards, including standards of professional behaviour, complaints, etc. The PCC has appointed an Independent Adjudicator to ensure both the PCC and CC are following both the spirit and letter of the national complaints and integrity frameworks. An Ethics and Culture Board also exists which provides another control point.

4. REVIEW OF EFFECTIVENESS

The CC conducts annually a review of the effectiveness of the governance framework. Assurance that the control environment is working is obtained in the following manner:

Performance Reporting; With the change to qualitative performance measurement and the move away from numerical targets performance measuring is more about a wide range of areas (often not numerical). To understand whether control has been effective a few high level areas are focused on. The following will be included in the PCC's report to the Police and Crime Panel in his review of Wiltshire Police performance;

- Recorded Crime has increased by 19% in the year to March 2016. Wiltshire crime volume remains in line with the volumes recorded in our most similar forces and the forces within our region. It should also be noted that recorded crime has increased nationally, with 39 of 43 forces recording an increase in recorded crime in the most recent Office of National Statistics release for the year to December 2015.
- Victim Satisfaction is 85.4% for the year to March 2016 this is in line with the peer group.
- Detection rates are lower than previously and in the lowest quartile nationally. It has been flagged that this may constitute a risk for specific crime types and those detection rates will be under active risk management
- 93.5% of the public who had contact with Wiltshire Police were satisfied with the way they were treated (Public Opinion survey)

- The diversity of Wiltshire Police remains an issue as is the loss of the Stop Search Best practice status. The PCC has allocated resource making these priority areas which the Force is addressing.

Crime volumes should be considered alongside the context of incoming demand which has remained stable. With a greater focus on crime data integrity and ethical recording practices we have seen crime increases in low level offences and public order which would previously have been recorded as Anti-Social Behaviour so the increase is understood.

The force has been subject to a HMIC review in 2015-16 under the PEEL inspection, the outcome reported on the HMIC website is:

Effectiveness (How effective is the force at keeping people safe and reducing crime) Overall Wiltshire Police is judged to be good at keeping people safe and reducing crime. In terms of preventing crime the force operates effectively and standards of investigation are generally high. Furthermore the force works well with partners to manage the most harmful offenders. The force is clearly committed to protecting the vulnerable; however some improvements are needed in its understanding of, and response to, missing children. There are good arrangements in place to tackle serious and organised crime.

Efficiency (How efficient is the force at keeping people safe and reducing crime) HMIC found that Wiltshire Police is well prepared to face its future financial challenges. The force has successfully reduced its spending over the last spending review period, improved its understanding of the demand on its services, is trialling a new operating model and is planning effectively for future financial challenges. It has done this through robust financial management and a commitment to continuously improving services. In last year's value for money inspection, which considered how forces had met the challenge of the first spending review period, Wiltshire Police was judged to be good.

Legitimacy (How legitimate is the force at keeping people safe and reducing crime) HMIC found that chief officers promote ethical behaviour and there is an established force ethics board that informs policy making. The force has good processes for understanding and managing the wellbeing of its workforce. We considered that Wiltshire Police engages well with the communities it serves. The force is not compliant with many aspects of the Best Use of Stop and Search scheme. HMIC is satisfied that on the whole Taser is being used fairly and appropriately by Wiltshire Police.

Overall with HMIC assessing force performance as overall **good** it can be considered that the control measures surrounding performance have been effective.

By using HMIC's Value for Money profiles the PCC and Chief Constable have been able to review the business and identify areas where the organisations costs are higher or lower than other forces. The service leads for all areas have been reviewed and force-wide areas identified for further work. This increases the profile of costs and provides opportunities to learn from peers. This is an effective approach which alongside the guidance in the Budget Book ensures that Value for Money is achieved.

Internal Audit – The PCC and CC had a contract with CBSL to provide an internal audit service in 2015-16. 90 days of audit were planned and delivered covering 13 areas. For each audit a report is produced and provided to the Office of the PCC and the CC. A summary of the evaluation and recommendations suggested is provided to the Audit Committee. The evaluation system is as follows;

- Substantial Assurance – Robust series of controls which should ensure continuous and effective achievement of the control environment.
- Reasonable Assurance – Reasonable number of controls in place - however may not be operated all the time.
- Limited Assurance – The controls in place are not sufficient to ensure the continuous and effective achievement of the control environment
- No Assurance – Fundamental breakdown or absence of core internal controls.

Three internal audits received 'Limited Assurance', no audits were graded 'No Assurance'. The review of Complaints Management Arrangements identified 3 recommendations and a 'Limited Assurance' rating. There was a single priority one recommendation this surrounded a common process in

recording and dealing with complaints. This has been reviewed and changes to processes and communication agreed which is expected to mitigate any risks.

The second 'Limited Assurance' audit surrounded a review of Network Control Arrangements. The internal auditors requested a significant amount of documentation which the ICT managers were unable to provide within the required timescale. It was therefore agreed to follow this issue up in the 2016-17 audit. Whilst this may raise concerns the CC is aware that the organisation has obtained compliance to connect to national systems. This required the testing of numerous ICT processes and a substantial documentation review, based on this third party review any risk is considered minimal.

The final 'Limited Assurance' audit surrounded governance on collaborations. As part of the audit a review of regional processes was undertaken. This identified that at a regional level there was some duplication and confusion over the recording of objectives and savings projections. In response to this a new governance process is being agreed post the PCC elections. This will clarify responsibilities and ensure appropriate reporting.

The remaining audits all achieved an assurance level of substantial or reasonable suggesting an effective control environment

External Audit - In January 2013 Grant Thornton were appointed as External Auditors to the CC. This statement relies on the findings reported by Grant Thornton to the Independent Audit Committee. In September 2015 Grant Thornton produced the Audit Findings Report and in October the Audit Letter. These identified:

- Financial Statements Audit – An unqualified opinion.
- Value for money conclusion – An unqualified conclusion.

Risk continues to be managed in a visible, transparent manner. Risk registers are proactively managed. The Independent Audit Committee review both the PCC and CC risk registers at each meeting and look for continual mitigation and management.

5. SIGNIFICANT GOVERNANCE ISSUES

The CC has identified the following significant governance issues;

No.	Issue	Progress
1.	<p>Partnership Working The strategic alliance with Avon and Somerset Police will require careful management to ensure savings and benefits are obtained with agreement from both areas. How this links with the partnership work in place with Wiltshire Council will require resolution. At times conflict may arise surrounding which partners we should be working with. There is also a risk that the expected financial savings from the alliance are not delivered.</p>	<p>The PCC and the Chief Constable are aware of the risk. Careful management of change with the inclusion of staffing associations is seen as critical.</p> <p>Based on this work has been delayed to ensure that we have agreed a joint People Strategy and Infrastructure Strategy. Without these and different cultures the possibility of failure increases.</p> <p>With the government protecting police funds at cash neutral the requirement to cut costs to balance the budget has reduced. There however remains pressure on police budgets to fund other priority areas such as cyber crime, public protection etc.. The savings from sharing services are required to invest in these high risk areas. Hence the need to work in partnership remains a high priority.</p>

No.	Issue	Progress
2.	<p>Financial Context The 2016-17 budget is reliant on £1.6m of reserve funding. This was agreed by the PCC based on an expectation that the national funding formula will be reviewed and a change implemented which would provide the Wiltshire PCC with additional funds. There is no guarantee that will occur; if it is not forthcoming this shortfall will need to be saved.</p>	<p>The PCC and the Chief Constable are aware of the risk. Both are raising the issue on a national basis and encouraging a fairer allocation of resources to be implemented.</p> <p>A review will occur mid financial year to consider the likelihood of the change occurring. This will then determine the savings target required in 2017-18.</p> <p>Both PCC and Chief Constable are aware that significant savings will be required if no changes are made to the allocation method.</p>

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed



Chief Constable for Wiltshire



Chief Financial Officer of the CC

DRAFT INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR WILTSHIRE

We have audited the financial statements of the Chief Constable for Wiltshire (the "Chief Constable") for the year ended 31 March 2016 under the Local Audit and Accountability Act 2014 (the "Act"). The financial statements comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and the related notes and include the police pension fund financial statements of Wiltshire Police comprising the Fund Account and the Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16.

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to the Chief Constable in an auditor's 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 Chief Constable as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Chief Financial Officer and auditor

As explained more fully in the Statement of the Chief Financial Officer's Responsibilities, the Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16, which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us 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 Chief Constable's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Financial Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Narrative Report and the Annual Governance Statement 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 us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- present a true and fair view of the financial position of the Chief Constable as at 31 March 2016 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/16 and applicable law.

Opinion on other matters

In our opinion, the other information published together with the audited financial statements in the Narrative Report and the Annual Governance Statement is consistent with the audited financial statements.

Matters on which we are required to report by exception

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the guidance included in 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007; or
- we issue a report in the public interest under section 24 of the Act; or
- we make a written recommendation to the Chief Constable under section 24 of the Act; or
- we exercise any other special powers of the auditor under the Act.

We have nothing to report in these respects.

Conclusion on the Chief Constable's arrangements to secure value for money through economic, efficient and effective use of its resources

Respective responsibilities of the Chief Constable and auditor

The Chief Constable is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 20(1)(c) of the Act to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of the Chief Constable's arrangements to secure value for money through economic, efficient and effective use of its resources

We have undertaken our review in accordance with the Code of Audit Practice prepared by the Comptroller and Auditor General as required by the Act (the "Code"), having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2015, as to whether the Chief Constable had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code in satisfying ourselves whether the Chief Constable put in place proper arrangements to secure value for money through the economic, efficient and effective use of its resources for the year ended 31 March 2016.

We planned our work in accordance with the Code. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether in all significant respects the Chief Constable has put in place proper arrangements to secure value for money through economic, efficient and effective use of its resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2015, we are satisfied that in all significant respects *the Chief Constable* has put in place proper arrangements to secure value for money through economic, efficient and effective use of its resources for the year ended 31 March 2016.

Certificate

We certify that we have completed the audit of the accounts of the Chief Constable in accordance with the requirements of the Act and the Code.

Iain Murray

Iain Murray
for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Grant Thornton House
Melton Street
Euston Square
London NW1 2EP

28 September 2016

Comprehensive Income and Expenditure Statement for the Chief Constable of Wiltshire Police 2015/16

It should be noted that to represent the Chief Constable's use of the PCC's assets, the CC receives charges which are equivalent to the running costs and capital financing incurred by the PCC. All income is recognised in the PCC's net cost of services.

Restated Net Expenditure 2014/15 £'000		Gross Expenditure 2015/16 £'000	Gross Income 2015/16 £'000	Net Expenditure 2015/16 £'000
	See also Note 3 and note 4			
48,531	Local policing	48,201		48,201
11,170	Dealing with the public	11,305		11,305
10,264	Criminal Justice Arrangements	11,156		11,156
4,790	Road policing	4,409		4,409
8,794	Operational Support	7,647		7,647
5,186	Intelligence	6,212		6,212
29,934	Investigations	31,781		31,781
4,247	Investigative Support	3,864		3,864
5,336	National Policing	5,168		5,168
1,165	Corporate & Democratic Core	1,275		1,275
76	NDC - Injury Payments	317		317
-368	Pension Past Service Cost Note 11	61		61
129,125	Net Cost of Police Services before intra group funding			131,397
-129,125	Intra Group Funding			-131,397
	Net Cost of Police Services			
43,916	Pension Net Interest Note 11			39,340
-43,916	Intra Group Funding (Pension Net Interest) Note 11			-39,340
	(Surplus)/Deficit on the Provision of Services			
164,571	Re-measurement of the net defined benefit liability/(asset) Note 11			184,979
-164,571	Intra Group Funding (Pensions re-measurement of the net defined benefit liability/(asset)) Note 11			-184,979
	Other Comprehensive Income and Expenditure			
	Total Comprehensive Income and Expenditure			

Movement in Reserves Statement 2015/16

	General Fund	Earmarked Reserves	Capital Receipts Reserve	Total Usable Reserves	Unusable Reserves	Total Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
All reserves are managed by the Police and Crime Commissioner for Wiltshire; the Chief Constable has no transactions or balances to disclose here.						
Balance as at 31 March 2015	0	0	0	0	0	0
Movement in reserves during 2015/16						
Surplus/(Deficit) on provision of services	0	0	0	0	0	0
Other Comprehensive Income and Expenditure	0	0	0	0	0	0
Total Comprehensive Income and Expenditure	0	0	0	0	0	0
Adjustments between accounting basis and funding basis under regulations	0	0	0	0	0	0
Net increase/decrease before transfers to earmarked reserves	0	0	0	0	0	0
Transfers to/from other Earmarked Reserves	0	0	0	0	0	0
Increase/(Decrease) in 2015/16	0	0	0	0	0	0
Balance as at 31 March 2016	0	0	0	0	0	0

Movement in Reserves Statement 2014/15

Restated	General Fund	Earmarked Reserves	Capital Receipts Reserve	Total Usable Reserves	Unusable Reserves	Total Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
All reserves are managed by the Police and Crime Commissioner for Wiltshire; the Chief Constable has no transactions or balances to disclose here.						
Balance as at 31 March 2014	0	0	0	0	0	0
Movement in reserves during 2014/15						
Surplus/(Deficit) on provision of services	0	0	0	0	0	0
Other Comprehensive Income and Expenditure	0	0	0	0	0	0
Total Comprehensive Income and Expenditure	0	0	0	0	0	0
Adjustments between accounting basis and funding basis under regulations	0	0	0	0	0	0
Net increase/decrease before transfers to earmarked reserves	0	0	0	0	0	0
Transfers to/from other Earmarked Reserves	0	0	0	0	0	0
Increase/(Decrease) in 2014/15	0	0	0	0	0	0
Balance as at 31 March 2015	0	0	0	0	0	0

Balance Sheet for the Chief Constable of Wiltshire Police as at 31 March 2016

31 March 2015 £000		31 March 2016	
		£000	£000
0	Property, Plant & Equipment	0	
0	Investment Property	0	
1,229,672	Long Term Debtor - Pensions	1,080,539	
1,229,672	Total Long Term Assets		1,080,539
0	Inventories	0	
0	Short Term Debtors	0	
0	Cash & Cash Equivalents	0	
0	Assets Held For Sale (under 1 yr)	0	
0	Total Current Assets		0
0	Short Term Creditors	0	
0	Provisions (under 1 yr)	0	
0	Total Current Liabilities		0
0	Finance Lease Liability	0	
-1,229,672	Liability Related to Defined Benefit Pensions Scheme.	-1,080,539	
-1,229,672	Total Long Term Liabilities		-1,080,539
0	Total Net Assets		0
0	Usable Reserves		0
0	Unusable Reserves		0
0	Total Reserves		0

Although the Police and Crime Commissioner is responsible for all assets and liabilities, in order to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. This is balanced with a long term pension debtor of equivalent value to the pension liability to recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long term liabilities. The Chief Constable's net assets/liabilities will always balance to zero.



C Barker, Chief Finance Officer

Cash Flow Statement

2014/15 £000		2015/16 £000
	<u>Operating Activities</u>	
0	Taxation	0
0	Non Domestic Rates	0
0	Revenue Support Grant	0
0	Police Main Grant	0
0	Cash Received for Goods and Services	0
0	Interest Received	0
0	Cash Inflows Generated from Operating Activities	0
0	Cash Paid to and on behalf of Employees	0
0	Cash Paid for Goods and Services	0
0	Interest Paid	0
0	Cash Outflows from Operating Activities	0
0	Net Cash Flows from Operating Activities	0
	<u>Investing Activities</u>	
0	Purchase of Non-Current Assets	0
0	Proceeds from Sale of Non-Current Assets	0
0	Other Receipts from Investing Activities	0
0	Net Cash Flows from Investing Activities	0
	<u>Financing Activities</u>	
0	Payments for the Reduction of Outstanding PFI Finance Liability	0
0	Net Cash Flows from Financing Activities	0
0	Net increase or decrease in cash & cash equivalents	0
0	Cash & cash equivalents at the beginning of the reporting period	0
0	Cash & cash equivalents at the end of the reporting period	0

All Bank accounts, assets, liabilities, investments and reserves are managed by the Police and Crime Commissioner for Wiltshire; the Chief Constable for Wiltshire has no cash flows to report.

Notes to accompany the Statements

1 Statement of Accounting Policies

1.1 General Principles

The general principles adopted in compiling the accounts of the Chief Constable for Wiltshire Police are in accordance with the recommendations of The Chartered Institute of Public Finance and Accountancy (CIPFA). They accord with CIPFA's Code of Practice on Local Authority Accounting 2015/16, the Service Reporting Code of Practice 2015/16 and the Accounts and Audit Regulations 2015 and are based on the following hierarchy of standards:

- International Financial Reporting Standards (IFRSs) as adopted by the EU
- International Public Sector Accounting Standards (IPSASs)
- UK Generally Accepted Accounting Practice (GAAP) (Financial Reporting standards (FRSs), Statements of Standard Accounting Practice (SSAPs) and Urgent Issues Task Force (UITF) abstracts) as far as they are applicable. All are maintained on an historic cost basis. Any significant non-compliance is disclosed in the notes that follow.

These Accounting Policies also reflect the local arrangements in place for Wiltshire Police and the guidance and regulations provided through the Police Reform and Social Responsibility Act 2011, the Financial Management Code of Practice for the Police Service 2013, Financial Regulations for the Police and Crime Commissioner for Wiltshire Group and the scheme of delegation between the Police and Crime Commissioner and the Chief Constable.

1.2 Accruals of Income and Expenditure

The Chief Constable's financial accounts are prepared on an accruals basis. Income and expenditure is inclusive of future obligations to pay cash for benefits already received by the CC for Wiltshire and cash to be received in the future for benefits already provided by the CC for Wiltshire.

Where actual amounts due are not known at the end of April, estimated amounts have been included in the accounts.

1.3 Accounting Principles

The accounts for 2015/16 comply with normal accounting principles surrounding relevance, reliability, comparability and understandability. The accounts are also prepared on the basis that the organisation is a going concern.

1.4 Provisions

The CC for Wiltshire has a policy to create a provision relating to a liability or loss that is likely to be incurred but there is uncertainty as to the size and timing of the liability. Its purpose is specific and will be charged to the revenue account where the expenditure would be incurred. Adjustments are made in the accounts for any bad or doubtful debts. There are no provision transactions in the Chief Constable's accounts.

1.5 Joint Arrangements

Wiltshire Police have entered into numerous collaborative arrangements with other police forces and local authorities. A materiality limit of £500k has been set by the Group and details of the joint operations where Wiltshire contributions exceed this level are disclosed in the notes to the accounts.

1.6 Employee Benefits

Benefits payable during employment

Authorities are required to account for employee benefits in the period that they are earned by employees.

Wiltshire Police operates a flexi leave system and has a policy that allows employees to carry over a maximum of 5 days annual leave and 11 hours flexi leave. The flexi leave is run as a manual records system and is not cost effective to collect the data; therefore no flexi leave accrual has been posted for 2015/16 due to the immaterial value. Time off in Lieu (TOIL) and annual leave are recorded on an electronic system and the result is that the Group has a £0.884 million accrual for employee leave entitlements carried over at 31 March 2016.

For 2015/16 there is a £0.090 million increase in the net cost of services where the accrual has increased from £0.794 million in 2014/15, this is reversed out in the Movement in Reserves Statement so as to avoid any impact on Council Tax.

Termination benefits

Redundancy payments allowed by Wiltshire Police are based upon actual weekly salary, calculated in the manner prescribed by legislation. The legislation also dictates that a maximum of 20 years service may be counted. Only completed years of service at the time of the redundancy will count. Within those parameters, the payments are calculated on the following basis:

For each year of service aged 18 to 21 - half a week's pay

For each year of service aged 22 to 40 - one week's pay

For each year of service aged 41 to 65 - one and a half week's pay

Post employment benefits

Pensions (Police Officers)

There are three police officer schemes: the Police Pension Scheme (PPS), the New Police Pension Scheme (NPPS) and the Police Pension Scheme 2015 (2015 Scheme). These are defined benefit unfunded schemes, meaning that there are no investment assets held, and actual pensions payments are met from revenue as they are eventually due.

From 1st April 2015 a new benefit structure came into effect and new regulations state that all current active members will move into the 2015 Scheme from 1st April 2015 unless they qualify for protections that allow them to remain in their current schemes.

For the purpose of the note to the accounts the officer schemes are reported as a single disclosure. The scheme changes have been taken into account in the Balance Sheet and Comprehensive Income and Expenditure Account and in the note to the accounts.

Funding rules are in place which results in Police Forces paying 24.2% of Police pay as a pension fund contribution. Any variation, e.g. variation from pensions actually paid, over or under, is financed by an increased or reduced specific pensions grant. To this purpose a Pensions Fund Account has been created.

In this year's disclosures there is a requirement to allow for the effect of the Pensions Ombudsman (PO) ruling in the GAD vs Milne case. Mr Milne complained to the PO that the commutation factors were not reviewed by GAD between 1998 and 2006 and therefore his lump sum on retirement was less than it should have been. The PO upheld his complaint which meant that backdated lump sum payments were due to all police officers who retired during the period when the factors were not reviewed. All backdated lump sum payments were made by 31 March 2016, totalling £2.8m and were financed by additional Home Office Pension Grant funding.

Pensions (Support Staff)

The pension scheme available for police staff is administered by Wiltshire Council on behalf of Local Authority employees in Wiltshire. The assets of the fund are held separately from those of the County Council. The accounts of the Pension Fund are detailed in the Wiltshire Council Statement of Accounts.

The pension costs that are charged to the Chief Constable for Wiltshire's accounts in respect of its employees are the service cost identified by the actuarial valuation for the period. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis. Employer's pension contributions of 16.9% of pay were paid into the fund by the CC for Wiltshire for the year 2015/16; this contribution will increase to 18.1% for 2016/17.

Changes to the Local Government Pension Scheme allow for members to take larger lump sum payments in return for a reduced annual pension. It is expected that this will reduce the liability of the Authority. However the actuary currently considers it impossible to estimate the number of members who may take this option and its effect on the finances of the Authority. Based on the prudence accounting concept zero take up has been assumed, therefore, no reduction in liability has been included in the balance sheet of the Authority.

In accordance with CIPFA guidelines the liability under IAS 19 for both Police Officer and Support Staff pensions must be included within the Comprehensive Income and Expenditure Statement (CIES) and the Balance Sheet. The cost of service is shown within the CIES of the Chief Constable and is balanced with an intra Group adjustment to the Police and Crime Commissioner for Wiltshire's accounts.

1.7 Leases

Where a lease transfers substantially all the risks and rewards of ownership of an asset to the lessee it is classified as a finance lease. Leases that do not meet this definition are operating leases.

Operating lease rentals are charged direct to the Comprehensive Income and Expenditure Statement as a cost to the services benefitting from their use.

1.8 VAT

Value-Added Tax is separately accounted for in accordance with the Statement of Standard Accounting Practice (SSAP) 5 and is not included as income or expenditure of the Authority except where it is not recoverable. The Police and Crime Commissioner successfully registered for Group VAT during 2015/16 and oversees all VAT matters on behalf of the Police and Crime Commissioner and the Chief Constable.

1.9 Post Balance Sheet Events

Where a material post balance sheet event occurs the Chief Constable has a policy to identify that in the statement of accounts.

2 Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Chief Constable for Wiltshire about the future or that are otherwise uncertain. Estimates are made based on historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

For 2015/16 the Balance Sheet contains an item for which there is a significant risk of material adjustment in the forthcoming financial year; the Pensions Liability.

Estimation of the net liability to pay pensions is reliant on a number of complex judgements relating to the discount rate used, the rate of increase in salary, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the organisation with expert advice about the assumptions to be applied.

Further information can be found in the pensions note to the accounts.

3 Service Expenditure Analysis

The Service Expenditure can be analysed in more than one way. The stated SERCOP format is a statutory requirement and requires the majority of costs to be split over service areas. Another way of showing the accounts is with a subjective analysis which categorises costs by type; this is not a statutory requirement but a more traditional way of stating the accounts. The subjective Analysis is shown below.

Restated Net Spending 2014/15 £000		Net Spending 2015/16 £000
45,790	Police Pay and allowances	45,480
30,909	Staff Pay and allowances	33,203
1,326	Other employee expenses	988
24,400	Officer pensions	23,300
4,984	Premises	4,653
3,334	Transport	2,527
10,211	Supplies and Services	10,533
3,629	Third Party Payments	4,745
4,834	Capital Finances	5,590
-292	Non-distributed costs	378
129,125	Total Financial Resources Consumed at request of Chief Constable	131,397
-129,125	Intra Group Adjustment	-131,397
	Net Cost of Services	
43,916	Pension Net Interest	39,340
-43,916	Intra Group Funding (Pension interest cost & expected return on assets)	-39,340
	Total (Surplus)/Deficit on the Provision of Services	

It should be noted that Chief Constable receives charges for use of the Police and Crime Commissioner's assets. This charges are equivalent to the running costs and capital financing incurred by the Police and Crime Commissioner.

4 Prior Period Adjustment – Changes in Accounting Policies and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for in the current period and do not give rise to a prior period adjustment.

Changes in accounting policies are made when required by proper accounting practices and the changes provide more reliable or relevant information about the CC's financial position or performance. Where a change is made it is applied retrospectively by adjusting balances for the prior period as if the new policy had always been applied.

5 Remuneration of Staff

The Chief Constable for Wiltshire is required to disclose the number of employees whose annual remuneration, excluding pension payments, exceeds £50,000. Remuneration for these purposes includes all sums paid to or received by an employee, expense allowances and the money value of any other benefits received other than cash. The number of employees within £5,000 bands is as follows:

Payment Band £	Number of Employees 2014/15	Number of Employees 2015/16
50,000 - 54,999	46	59
55,000 – 59,999	39	34
60,000 – 64,999	7	6
65,000 – 69,999	7	7
70,000 – 74,999	2	5
75,000 – 79,999	1	2
80,000 – 84,999	2	
85,000 – 89,999		1
90,000 – 94,999	1	
95,000 – 99,999	3	
100,000 – 104,999	1	3
105,000 – 109,999	1	
110,000 – 114,999		
115,000 – 119,999		
120,000 – 124,999	1	
125,000 – 129,999		
145,000 – 149,999		
150,000 – 154,999		1
155,000 – 159,999	1	
Total	112	118

The above disclosure contains details for all staff and all officers whose remunerations, excluding pensions, exceeds £50,000. 10 of the officers included for 2015/16 were seconded out to other Forces or Government organisations as at 31 March 2016 (11 seconded officers included for 2014/15). This disclosure is required on a legal basis rather than using the concept 'substance over form' as applied to the other Statement of Accounts disclosures.

The code of practice requires disclosure of individual remunerations for Senior Officers and Relevant Police Officers, the following tables contain the details for 2015/16 and comparative information from 2014/15. Senior Officers are included in the above banding as well as the following individual disclosures.

Members of ACPO have a vehicle allowance of £6,122 per year and the Chief Constable has £9,183 per year. This can be paid in the form of a lease car or within their salary. Those that have opted for the salary option have this payment included in the salary column of the remunerations.

During 2015/16 Clive Barker was in the role of Chief Finance Officer for both the Chief Constable and the Police and Crime Commissioner.

For 2015/16, a total of £1.325m of income was received from external establishments for officers and staff on secondment (£1.531m 2014/15). As at 31st March 2016 there were 18 employees working in external areas on secondment (18 as at 31st March 2015).

Senior Officer Remunerations 2015/16

Post Holder Information	Name	Salary (including fees & Allowances)	Bonuses	Expenses	compensation for loss of office	Benefits in Kind	Total Remuneration excluding pension contributions 2015/16	Pension Contributions	Total Remuneration including pension contributions 2015/16
Chief Constable (retired 31/05/15)	P. Geenty	32,117		216		1,291	33,625		33,625
Chief Constable (from 01/06/15)	M. Veale	138,744		404		12,976	152,125	32,090	184,215
Temp/Assistant Chief Constable	K. Pritchard	99,732				3,526	103,258	19,822	123,080
Temp/Assistant Chief Constable	P. Mills	96,460		709		4,067	101,235	19,822	121,058
Assistant Chief Officer / Chief Finance Officer	C Barker	98,303		445		4,945	103,693	16,358	120,052
Assistant Chief Officer	Z Durrant	97,680		277		3,662	101,619	16,286	117,904

Senior Officer Remunerations 2014/15

Post Holder Information	Name	Salary (including fees & Allowances)	Bonuses	Expenses	compensation for loss of office	Benefits in Kind	Total Remuneration excluding pension contributions 2014/15	Pension Contributions	Total Remuneration including pension contributions 2014/15
Chief Constable	P. Geenty	148,042		290		7,369	155,701		155,701
Deputy Chief Constable	M. Veale	117,430		330		6,949	124,709	26,990	151,699
Temp/Assistant Chief Constable	K. Pritchard	99,080		626		4,110	103,816	18,983	122,799
Temp/Assistant Chief Constable	P. Mills	88,833				3,127	91,960	18,983	110,943
Assistant Chief Officer / Chief Finance Officer	C Barker	92,514		258		4,254	97,026	14,115	111,141
Assistant Chief Officer	Z Durrant	94,118		61		1,654	95,833	14,115	109,948

6 Related Parties

In accordance with the Code of Practice and IAS 24 the Chief Constable for Wiltshire is required to state any material transactions with related parties. For 2015/16, no material transactions were declared by key management personnel.

Wiltshire Police have entered a strategic alliance with Wiltshire Council to look at new ways of working with a joint approach. The changes to date have involved areas of shared services and result in increased payments to Wiltshire Council where the Council have covered initial costs. Further details are available under the Joint Arrangements note.

Wiltshire Police have a number of partnership projects involving joint boards or committees; in particular there are arrangements in place with regional Police Forces, Wiltshire Council and Swindon Borough Council. Details of the partnerships are disclosed under the Joint Arrangements note.

The Police Constable for Wiltshire Police is part of the Police and Crime Commissioner for Wiltshire's Group and as such the Police and Crime Commissioner has significant influence over the Chief Constable. To get a full understanding of Wiltshire Police as a whole these accounts should be viewed alongside the Group Statement of Accounts (published separately).

Central Government has significant influence over the general operations of the Police and Crime Commissioner for Wiltshire's Group. Grants received from Central Government are disclosed in the PCC for Wiltshire Group Statement of Accounts.

7 Joint Arrangements

Wiltshire Police participates in a number of Joint Arrangements. These Joint Arrangements are where the authority will work in collaboration with other organisations to deliver activities which are agreed through a shared control (usually through a shared board).

Joint Arrangements are classified as either Joint Operations or Joint Ventures. Joint Operations are where the parties have rights to the assets and obligations for the liabilities relating to the arrangement. Joint Ventures are where the parties have rights to the net assets of the arrangement. Wiltshire Police do not participate in any joint ventures.

Wiltshire Police recognises in its Statement of Accounts its share of the assets, liabilities and expenditure relating to its involvement in the joint operations. The Wiltshire Police contributions to Joint Operations are disclosed below:

2014/15 £000 Expenditure	2014/15 £000 Income	Joint Operation	2015/16 £000 Expenditure	2015/16 £000 Income
476		Black Rock	607	
1,463		Brunel MCIT	1,470	
522		Zephyr	595	
4,841		Tri Services	5,017	
410		Forensics	1,223	
676		SW Special Branch	689	
4,737	12	Wiltshire Council	3,977	12
439		MASH	581	

Black Rock

Black Rock is a firearms training facility located in Avon & Somerset which is run in partnership with Avon and Somerset police and Gloucester police. Each police force has a staff commitment to provide trainers for the facility.

The overall cost of the facility for the year was £2.382m; this is split on a percentage basis, with Wiltshire contributing 25%, Avon and Somerset 42% and Gloucester 33%.

There is a PFI building involved in the facility; this PFI contract is owned by Avon & Somerset police but at the end of the contract the asset is to be split equally between the partner forces. Due to this arrangement the PCC for Wiltshire accounts for his share as an asset on his Balance Sheet. The current value of the PFI asset as at 31 March 2016 was £18.6m; Wiltshire's share included in the Balance Sheet was £4.7m.

Brunel MCIT

This collaboration between Avon & Somerset Police, Gloucester Police and Wiltshire Police forms a shared Major Crime Investigations team (MCIT) for the three areas. Gloucester joined the collaboration in December 2015 where previously there had been an arrangement between Avon & Somerset and Wiltshire.

The overall cost of the facility for the year was £6.441m; this is split on a percentage basis, with Wiltshire contributing 19%, Gloucester 17% and Avon and Somerset 64%.

Zephyr

Zephyr is a collaboration of the police forces in the South West region working together to disrupt, destroy and dismantle serious and organised crime.

The collaboration is led by Avon & Somerset police and costs are split on a percentage basis as follows: Avon and Somerset 32%, Gloucester 11%, Devon and Cornwall 33%, Dorset 12% and Wiltshire 12%.

The Confidential Unit differs in the apportionment of costs as Devon and Cornwall are not part of the collaboration. The split for this part of the Zephyr collaboration is Avon and Somerset 49%, Gloucestershire 16%, Dorset 18% and Wiltshire 18%.

The overall cost of the collaboration for the year was £7.280m.

Avon and Somerset police have purchased a building for the collaboration; this asset is currently owned and accounted for by Avon and Somerset police.

Zephyr also holds a reserve which any surplus/deficit year on year is added to/taken from. The reserve is also used to assist future year's budget which in turn potentially reduces the contributions required by each Force. The reserve currently stands at £2.138m of which £1.874m relates to the building owned by Avon and Somerset police.

Tri Services

Tri-Force is a specialist operations (Roads Policing, Dogs and Firearms) collaboration between Wiltshire, Gloucestershire and Avon and Somerset police and is based in 4 response hubs across the 3 Forces. The cost of the collaboration was £21.643m and the cost was split on the following percentage basis; Wiltshire 23%, Gloucestershire 23% and Avon and Somerset 54%.

2015/16 was the second year of the collaboration and reported an overspend of £0.280m due to overtime requirements across the collaboration; each police force covered its share of the cost.

Forensics

SW4 Regional Forensics is a collaboration between Wiltshire, Avon and Somerset, Dorset and Devon and Cornwall police. The collaboration was rolled out in 3 phases. Phase 1 operates from 2 hubs; north (Portishead) and south (Exeter) and the other phases operate from each of the four forces. During roll out the costs have been shared on the following basis;

Phase 1: Avon and Somerset 35%, Devon and Cornwall 31%, Dorset 19% and Wiltshire 15%.

Phase 2: Avon and Somerset 29%, Devon and Cornwall 29% Dorset 20% and Wiltshire 22%.

Phase 3: Avon and Somerset 41%, Devon and Cornwall 31%, Dorset 18% and Wiltshire 10%.

With all phases now in place, future costs will be apportioned on one overall basis.

The cost of the collaboration for 2015/16 was £7.844m. Wiltshire's total cost was £1.223m for the year.

South West Special Branch

The Special Branch collaboration involves 4 Regional Forces and costs are shared on the following percentage splits, Avon and Somerset 28%, Devon and Cornwall 29%, Dorset 24% and Wiltshire 19%.

The cost of the collaboration totalled £3.626m. Wiltshire's cost being £0.689m.

Wiltshire Council Alliance

Wiltshire Police have entered a strategic alliance with Wiltshire Council to look at new ways of working with a joint approach. The changes have involved areas of shared IST services and result in increased payments to Wiltshire Council where the Council have covered initial costs.

The partnership decides its priorities at a regular joint board and costs of the required services are met as incurred. For 2015/16 Wiltshire Council received total payments amounting to £3.977m from Wiltshire Police for a share of the services, some of which relates to capital projects. Total revenue costs (including projects) amounted to £2.586m.

Wiltshire MASH:

The Wiltshire Multi Agency Safeguarding Hub (MASH) is a partnership between Wiltshire Police, Wiltshire Council and the Health Authority and is based at County Hall in Trowbridge. The cost of the MASH in 2015/16 was £1.623m. Wiltshire Police costs were £0.581m. Each partner's commitment is reported but there is no formal sharing of costs.

Other Collaborations:

Wiltshire Police is involved in numerous smaller collaborations and partnerships including the Serious Sexual Assault Referral Centre (SSARC), Local Resilience Forum (LRF) and the Youth Offending Team (YOT). More recently Wiltshire Police has entered into a strategic alliance with Avon and Somerset police to look at opportunities to share resources. This alliance is still in its initial stage and no costs have yet been incurred relating to the arrangement.

8 External Audit Fees

Audit fees paid to Grant Thornton in respect of external Audit services (Local Audit & Accountability Act 2014) were £15,000; no other external audit fees were payable.

9 Accounting Standards Issued That Have Not Yet Been Adopted

For 2015/16 the following accounting standard changes have been issued but not yet adopted. The impact of these changes to the CC is not likely to be material though they may increase the disclosure requirements for future years. Details of the disclosures required will be provided in the 2016/17 Code of Practice in Local Authority Accounting (COPLAA).

IAS 1 Presentation of Financial Statements: Changes to the format of the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement and the introduction of the new Expenditure and Funding Analysis

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation

IAS 19 Employee Benefits: Defined Benefit Plans. New disclosure requirement for fair value of investments.

Annual Improvements to IFRSs 2010 – 2012 Cycle: the changes affect the following standards:

- IFRS 3: Accounting for contingent consideration in a business combination
- IFRS 8: Aggregation of operating segments
- IFRS 8: Reconciliation of the total of the reportable segments' assets to the entity's assets
- IFRS 13: Fair value measurement - Short term receivables and payables.
- IAS 16: Revaluation method – proportionate restatement of accumulated depreciation
- IAS 24: Related Party Disclosures – Key management personnel
- IAS 38: Intangible Assets – proportionate restatement of accumulated amortisation

Annual Improvements to IFRSs 2012 – 2014 Cycle: the changes affect IFRS 7: Financial Instruments Disclosures for servicing contracts

IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations

10 Termination Benefits

The numbers of exit packages with total cost per band are set out in the table below, they were all compulsory redundancies. The total cost of exit packages includes early pension payments.

Exit package cost band	No. of compulsory redundancies		Total cost of exit packages in each band £'000	
	2014/15	2015/16	2014/15	2015/16
£0-£20,000	8	3	74	33
£20,001-£40,000	2	1	48	22
£40,001-£60,000				
£60,001-£80,000		1		66
£80,001-£100,000		1		84
£100,001-£120,000	1		101	

11 Pensions

Pensions Accounting

The Financial Code of Practice states that 'The Chief Constable is responsible for ensuring the administration of the pension schemes and the appropriate maintenance and provision of the relevant accounts.' The Chief Constable is also responsible for all police officers and 90% of the staff under the new arrangements with the Police and Crime Commissioner for Wiltshire. Any transactions relating specifically to the Office of the Police and Crime Commissioner would be immaterial.

Although the Police and Crime Commissioner is responsible for all assets and liabilities, in order to comply with accounting and audit requirements, the pension liabilities are required to be disclosed in the Chief Constable's Balance Sheet. This is balanced with a long term pension debtor of equivalent value to the pension liability to recognise the fact that the Police and Crime Commissioner has ultimate responsibility for these long term liabilities.

The information that follows is for the pension accounts of the Group.

Pension Schemes

Although pension benefits are not actually payable until employees retire, the Group has a commitment to disclose the payments at the time that employees earn their future entitlement.

The Police and Crime Commissioner's Group participates in three police officer schemes and one police staff scheme:

Police officers: Police Pension Scheme (PPS), New Police Pension Scheme (NPPS) and Police Pension Scheme 2015 (2015 Scheme). These are unfunded schemes, meaning that there are no investment assets held, and actual pensions payments are met from revenue as they are eventually due.

Changes were introduced to the pension in 2006 which result in slight variations between PPS and NPPS schemes. From 1st April 2015 a new benefit structure came into effect and new regulations state that all current active members will move into the 2015 Scheme from 1st April 2015 unless they qualify for protections that allow them to remain in their current schemes. Officer pension schemes were contracted out of the State Second Pension but this ceased on the 5th April 2016.

The scheme changes have been taken into account in the Balance Sheet and Comprehensive Income and Expenditure Account and in the following note to the accounts.

The schemes are administered in accordance with the Police Pensions Regulations 1987, the New Police Pensions Scheme Regulations 2006 and the Police Pension Regulations 2015.

Police staff: The Local Government Pension Scheme (LGPS). This is administered by Wiltshire County Council and is a funded scheme, where the Group and employees pay contributions into a fund intended to balance the pensions liabilities with investment assets. The scheme is administered in accordance with the Local Government Pension Scheme Regulations.

Estimation of the net liability to pay pensions is reliant on a number of complex judgements relating to the discount rate used, the rate of increase in salary, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the organisation with expert advice about the assumptions to be applied.

Pensions Transactions

The cost of retirement benefits is recognised in the Net Cost of Services when it is earned by employees, rather than when the benefits are actually paid out as pensions. The cost of retirement benefits earned is reversed out in the Movement in Reserves as the charge against council tax is based only on actual payments due in the year. The following transactions were made in the Income and Expenditure Account and the Movement in Reserves Statement during the year:

	Local Government Pension Scheme		Police Pension Scheme	
	£000		£000	
	2014/15	2015/16	2014/15	2015/16
Comprehensive Income & Expenditure (CIES)				
<i>Net Cost of Services</i>				
Current Service Costs	5,061	6,621	24,400	23,300
Past Service Costs (Non Distributed Costs)	32	61	-400	
Gains and Losses on any Settlements or Curtailments				
<i>Net Operating Expenditure</i>				
Net Interest Expense	1,316	1,640	42,600	37,700
Net Charge to the Surplus/Deficit	6,409	8,322	66,600	61,000
<i>Other Comprehensive Income & Expenditure</i>				
Return on plan assets (excluding the amount included in the net interest expense)	-7,145	7,529		
Actuarial gains and losses arising on changes in demographic assumptions				-3,100
Actuarial gains and losses arising on changes in financial assumptions	25,149	-17,717	147,549	-113,688
Other	-782	-1,303	-200	-56,700
Total Other Comprehensive Income & Expenditure	17,222	-11,491	147,349	-173,488
Total Charge to the CIES	23,631	-3,169	213,949	-112,488
	Local Government Pension Scheme		Police Pension Scheme	
	£000		£000	
	2014/15	2015/16	2014/15	2015/16
Net Charge to the CIES Surplus/Deficit	6,409	8,322	66,600	61,000
Movement in Reserves Statement				
<i>Adjustments between Accounting & Funding Basis:</i>				
Reversal of net charges made for retirement benefits in accordance with the code	-6,409	-8,322	-66,600	-61,000
Actual amount charged against the General Fund Balance for pensions in the year:				
Employer's contributions payable to scheme	3,540	3,964		
Retirement benefits payable to pensioners			25,749	29,512
Actual Costs	3,540	3,964	25,749	29,512

The actual payments made by the Police and Crime Commissioner's Group for employer's contributions 2015/16 are £3.964 million to Wiltshire Council for the Local Government Pension Scheme (£3.540m 2014/15) and £9.352 million to the Police Pension Scheme (£9.574m 2014/15). The main reason this differs from the £29.512 million above is a further £20.160 million contributions funded by Home Office grant (£16.175 million 2014/15).

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the defined benefit obligation is as follows:

	£000	£000
	2014/15	2015/16
<i>Local Government Pension Scheme</i>		
Present value of defined benefit obligation	-158,827	-150,168
Fair value of plan assets	108,855	107,329
Net Liability – Local Government Pension Scheme	-49,972	-42,839
<i>Police Officer Pension Scheme</i>		
Present value of defined benefit obligation	-1,179,700	-1,037,700
Fair value of plan assets		
Net Liability – Police Officer Pension Scheme	-1,179,700	-1,037,700
Total Net Liability arising from defined benefit obligation	-1,229,672	-1,080,539

The liabilities show the Group's commitment for future payment of retirement benefits. The total deficit of £1,081m for 2015/16 has a substantial impact on the net worth of the authority shown on the balance sheet. However, the financial position of the Group remains healthy due to the following:

- The deficit on the local government scheme will be funded by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.
- Funding to cover police pensions is only required when the pensions payments are actually made.

Reconciliation of the Movements in the Fair Value of Scheme Assets and Liabilities

The underlying assets and liabilities for retirement benefits attributable to the Police and Crime Commissioner's Group at 31st March 2016 are as follows:

	<u>Police staff</u>		<u>Police officers</u>	
	£000	£000	£000	£000
Reconciliation of Present Value of Scheme Liabilities				
	2014/15	2015/16	2014/15	2015/16
Opening Entry	-125,677	-158,827	-991,500	-1,179,700
Current Service Costs	-5,061	-6,621	-24,400	-23,300
Interest (cost)	-5,470	-5,163	-42,600	-37,700
Members Contributions	-1,468	-1,511	-5,100	-5,000
Re-measurement gain/(loss):				
• Actuarial gains/losses arising from changes in demographic assumptions				3,100
• Actuarial gains/losses arising from changes in financial assumptions	-25,163	17,579	-146,900	114,200
• Other	782	1,303	200	56,700
Past Service Costs	-32	-61	400	
Transfers in/out				-300
Settlements/Curtailments				
Benefits Paid	3,262	3,133	30,200	34,300
Surplus/Deficit	-158,827	-150,168	-1,179,700	-1,037,700
Reconciliation of Fair Value of Scheme Assets				
Opening Entry	95,796	108,855		
Interest Income	4,154	3,523		
Re-measurement gain/(loss):				
• Return on plan assets (excluding the amount included in net interest expense)	7,145	-7,529		
• Other				
Transfers in/out			-600	300
Employer Contributions	3,554	4,102	25,700	29,000
Members Contributions	1,468	1,511	5,100	5,000
Benefits Paid	-3,262	-3,133	-30,200	-34,300
Surplus/Deficit	108,855	107,329	0	0

Additional Information about the Defined Benefit Obligation:

Local Government Pension Scheme	Liability Split		Duration
	£000's	Percentage	
Active Members	100,654	67.0%	26.6
Deferred Members	22,471	15.0%	26.8
Pensioner Members	27,043	18.0%	11.8
Total	150,168	100.0%	22.6

Police Officer Pension Scheme	Liability Split		Duration
	£000's	Percentage	
Active Members	397,400	39.6%	24.7
Deferred Members	41,200	4.1%	26.2
Pensioner Members	565,200	56.3%	12.2
Total	1,003,800	100.0%	17.7

Injury Pensions	Liability Split		Duration
	£000's	Percentage	
Contingent Injuries	19,900	58.7%	24.7
Injury Pension Liabilities	14,000	41.3%	16.9
Total	33,900	100.0%	21.5

Assumptions to Estimate Assets and Liabilities

For 2015/16, the Police Pension Scheme and the Local Government Scheme have been assessed on a projected basis, by Hymans Robertson, using the full actual valuation as at 31 March 2015. The following assumptions were used to calculate the components of the pensions.

Pension Scheme Basis for Estimating					
	LGPS		Old PPS	NPPS	All Police Schemes
	2014/15	2015/16	2014/15	2014/15	2015/16
Long term expected rate of return on assets in the scheme:					
Equity Investments	3.20%	3.50%			
Bonds	3.20%	3.50%			
Property	3.20%	3.50%			
Cash	3.20%	3.50%			
Mortality assumptions:					
Longevity for current pensioners:					
Men	22.3	22.3	29.5	29.5	29.7
Women	24.5	24.5	31.7	31.7	31.6
Longevity for future pensioners:					
Men	24.1	24.1	31.1	31.1	31.2
Women	26.9	26.9	33.2	33.2	33.2
Market Derived RPI			3.30%	3.40%	3.20%
Rate of Increase in salaries	4.30%	4.20%	3.40%	3.50%	3.20%
Rate of Increase in pensions	2.40%	2.20%	2.40%	2.50%	2.20%
Rate for discounting scheme liabilities	3.20%	3.50%	3.20%	3.30%	3.50%

Longevity is the average future life expectancy at age 65 for staff and at age 60 for officers.

The Police Officers Pension Scheme does not hold investment assets. The actual return on the LGP Scheme Assets for Apr – Dec 2015 was -1.6% (8.1% Apr – Dec 2014)

The Police and Crime Commissioner's Group accounts for Retirement Benefits in line with IAS 19 and IPSAS 25 and as a result, quoted securities held as assets in the Local Government Pension Scheme are valued at bid value rather than mid-market value.

The total value of assets as at 31 March 2016 is £107.329m (£108.855m March 2015).

Local Government Pension Scheme Assets Comprised:

	31 March 2015			31 March 2016		
	£000			£000		
	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total	Quoted Prices in Active Markets	Prices not quoted in Active Markets	Total
Cash and Cash Equivalents	2,594	1	2,595	394	0	394
Equity Securities:						
Consumer	2,543	0	2,543	2,887	0	2,887
Manufacturing	1,765	0	1,765	1,693	0	1,693
Energy and Utilities	0	0	0	0	0	0
Financial Institutions	467	0	467	605	0	605
Health and Care	795	8	803	743	1	744
Information Technology	11,222	0	11,222	13,270	0	13,270
Other	709	0	709	445	0	445
<i>Sub-total</i>	17,501	8	17,509	19,643	1	19,644
Debt Securities:						
Corporate Bonds (investment grade)	154	8,672	8,826	0	0	0
Corporate Bonds (non-investment grade)	0	287	287	0	0	0
UK Government	0	423	423	0	0	0
Other	2	1,575	1,577	0	0	0
<i>Sub-total</i>	156	10,957	11,113	0	0	0
Real Estate:						
UK Property	1,400	9,559	10,959	0	13,203	13,203
Overseas Property	0	570	570	0	354	354
<i>Sub-total</i>	1,400	10,129	11,529	0	13,557	13,557
Investment Funds and Unit Trusts:						
Equities	0	48,328	48,328	0	46,095	46,095
Bonds	0	6,775	6,775	0	17,481	17,481
Hedge Funds	0	2,097	2,097	0	0	0
Commodities	0	0	0	0	906	906
Infrastructure	0	565	565	0	8,608	8,608
Other	7,520	852	8,372	0	644	644
<i>Sub-total</i>	7,520	58,617	66,137	0	73,734	73,734
Derivatives:						
Foreign Exchange	-28		-28	0	0	0
Other	0	0	0	0	0	0
Total Assets	29,143	79,712	108,855	20,037	87,292	107,329

Sensitivity Analysis

The sensitivity of the principal assumptions used to measure the scheme liabilities are as follows:

Police Officer Pension Schemes - Change in assumptions at year ended 31 Mar 2016	Approx % increase to employer liability	Approx monetary amount (£000)
0.5% decrease in real discount rate	9%	95,200
1 year increase in member life expectancy	3%	30,900
0.5% increase in the salary increase rate	1%	11,600
0.5% increase in the Pensions Increase Rate (CPI)	8%	82,400

Local Government Pension Scheme - Change in assumptions at year ended 31 Mar 2016	Approx % increase to employer liability	Approx monetary amount (£000)
0.5% decrease in real discount rate	13%	19,038
1 year increase in member life expectancy	3%	4,505
0.5% increase in the salary increase rate	5%	7,120
0.5% increase in the Pensions Increase Rate (CPI)	8%	11,541

Contributions Expected

The projected amount to be charged to Income and Expenditure for the year to 31 March 2017 is as follows:

Local Government Pension Scheme	Assets	Obligations	Net (Liability)/Asset	
	£000's	£000's	£000's	% of pay
Current Service Cost		5,612	-5,612	-23.8%
Past Service Cost inc curtailments				
Effect of Settlements				
<i>Total Service Cost</i>		<i>5,612</i>	<i>-5,612</i>	<i>-23.8%</i>
Interest Income on Plan Assets	3,857		3,857	16.4%
Interest cost on Defined Benefit Obligation		5,379	-5,379	-22.8%
<i>Total Net Interest Cost</i>	<i>3,857</i>	<i>5,379</i>	<i>-1,522</i>	<i>-6.4%</i>
Total Included in Surplus/Deficit CIES	3,857	10,991	-7,134	-30.2%

Police Officer Pension Scheme	Assets	Obligations	Net (Liability)/Asset	
	£000's	£000's	£000's	% of pay
Current Service Cost		21,500	-21,500	-59.0%
Past Service Cost inc curtailments				
Effect of Settlements				
<i>Total Service Cost</i>		<i>21,500</i>	<i>-21,500</i>	<i>-59.0%</i>
Interest Income on Plan Assets				
Interest cost on Defined Benefit Obligation		36,200	-36,200	-99.3%
<i>Total Net Interest Cost</i>		<i>36,200</i>	<i>-36,200</i>	<i>-99.3%</i>
Total Included in Surplus/Deficit CIES		57,700	-57,700	-158.2%

Contributions expected to be paid to the schemes during the month of April 2016 are as follows:

Police pension scheme employer's contributions: £0.724m: (£8.688m projected for the year)
Police pension scheme member's contributions: £0.410m:(£4.920m projected for the year)

Local Government pension scheme employer's contributions: £0.363m:(£4.356m projected for the year)
Local Government pension scheme member's contributions: £0.129m: (£1.548m projected for the year)

The Police Pension Fund Account

(Police Officer's Pensions only). Under the Police Pension Fund Regulations 2006 it is not a requirement to meet the pension costs directly but to pay an employer's pension contribution of 24.2% of pay into a pension fund account.

If the Officers and employers contributions are insufficient to meet the cost of pension payments, a top up grant is paid by the Home Office to help meet this obligation. Any surplus on the pension fund account is repaid to the Home Office and the account is balanced to Nil at year end.

Should the pension fund account not be balanced to Nil by pension top up grant then the Police and Crime Commissioner's Group is liable for any additional contribution required.

For 2015/16 the net amount payable on the pension fund account before top up grant was £20.196m. A total amount of £16.014m in pension grant was received, leaving a net amount of £4.146m due from the Home Office.

The balance of £4.146m is included within the Balance Sheet of the Group as a debtor.

Injury Awards

Wiltshire Police incurs costs relating to Injury Awards for employees forced to leave work through injury. The total cost for 2015/16 was £495,971 (£466,736 2014/15), this was financed through revenue.

12 Contingent Assets & Contingent Liabilities

Precedents set in other forces for claims relating to officer's overtime give rise to potential claims from Wiltshire police officers. No claims have been made at Wiltshire Police to date; the maximum liability is not measurable so no provision has been made in the accounts.

Nationally Chief Constables and the Home Office have claims lodged against them with the Central London Employment Tribunal. The claims are in respect of alleged unlawful discrimination arising from the transitional provisions in the Police Pension Regulations 2015. The tribunal is unlikely to consider the substance of the claims until 2017. Legal advice suggests that there is a strong defence against these claims. The quantum and who will bear the cost is also uncertain, if the claims are partially or fully successful. So far only limited claims have been brought against the Police and Crime Commissioner for Wiltshire and Swindon. For these reasons, no provision has been made in the 2015/16 Statement of Accounts.

Wiltshire Police Pensions Fund Account (Police Officer's Pensions only)

2014/15 £000	Fund Account (Note 11 provides further information)	2015/16 £000	2015/16 £000
8,879	Contributions Receivable		
221	Employer (21.3% contributions)	7,620	
	Other Bodies	194	
5,132	Early Retirements (Ill Health)	393	
14,232	Members	5,024	13,231
134	Transfers In from other schemes	644	644
	Benefits Payable		
23,499	Pensions	24,573	
6,134	Commutations	10,258	
29,633	Lump Sum Death Benefits		34,831
	Payments to and on account of leavers		
1	Refunds of contributions	2	
166	Scheme Pays	147	
741	Transfers out to other schemes	91	
908			240
16,175	Net amount payable for the year		21,196
	Additional contribution from the local policing body*		-1,037
16,175	Transfer from Police Fund to meet Pension Fund deficit		20,160
0	Net amount receivable for year		0

Net Assets Statement

The accounting treatment of the top-up grant results in a zero net amount receivable from Central Government with no amounts owing to pensioners at 31 March 2016, therefore there is no requirement for a Net Assets Statement.

*There is an adjustment of 2.9% to the cashflow due to a reduction in the employer contribution rate for police pension schemes in 2015/16 being reflected in HMT pensions top up funding.

The Pension Fund Account statement does not take account of liabilities to pay pensions and other benefits after the period end. Details of the Group's long-term pension obligations can be found in **Note 11**.

Glossary

Accounting Period	The period of time covered by the accounts, for Wiltshire PCC this is 1 st April to 31 st March.
Accounting Policies	The principles, rules and practices that guide how events and transactions are recognised, measured and presented in the financial statements.
Actuarial Valuation (Pensions)	An independent report on the financial status of the Pension Fund, which reports the current estimated cost of fulfilling the PCC's future pensions liabilities
Amortisation	The measurement of the use of an intangible asset over its economic life.
CC	Chief Constable for Wiltshire
Capital Expenditure	Expenditure on the acquisition or construction of significant assets such as land and buildings which have a long term value to the PCC.
Capital Grants	Grant income received by the PCC in support of the planned Capital Expenditure.
Capital Receipts	Income from the sale of capital assets.
Carrying Amount	The value for which an asset or liability is represented in the Balance Sheet.
CIPFA	Chartered Institute of Public Finance and Accountancy. A public body that provides guidance for accounting in the public sector.
Collection Fund	The fund maintained by councils for the collection and distribution of local Council Tax receipts. Police precepts are met from these funds.
Contingency	A sum of money set aside to meet unexpected costs.
Contingent Liability	A possible obligation arising from past events where it is not probable that a transfer of economic benefits will be required or the amount of the obligation cannot be measured reliably.
COPLAA	CIPFA's Code of Practice on Local Authority Accounting in the UK.
Corporate and Democratic Core	Central activities which the police force engages in specifically because it is an elected authority. There is no basis for apportioning these costs over the individual services.
Creditors	Amounts owed by the PCC for goods or services received but where payment has not yet been made.
Current Assets	Assets that can be readily converted into cash within a short timescale (12 months)
Current Liabilities	Amounts owed by the PCC which are due to be settled in a short timescale (12 months).
Debtors	Amounts due to be paid to the PCC but not yet paid.
Depreciation	The measurement of the use of a tangible asset over its economic life.
Fair Value	The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measured date.
FRC	Financial Reporting Council
GAAP	Generally Accepted Accounting Practices.
GAD	The Government Actuaries Department (GAD) provides actuarial analysis and advice to the public sector.
IAS	International Accounting Standards.
IFRS	International Financial Reporting Standards.
Inventory	The amount of unused or unconsumed stock held for future use.
IPSAS	International Public Sector Accounting Standards.
Impairment	A reduction in the value of an asset due to physical damage or a significant reduction in the market value.
LAAP	Local Authority Accounting Panel that provides guidance on specific issues and accounting developments.
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

MRP (VRP)	Minimum Revenue Provision/Voluntary Revenue Provision. An amount set aside each year to finance repayment of debt, In the case of Wiltshire PCC, this refers to the payment of the Finance Cost relating to the Swindon PFI over the course of the contract.
Non Current Assets	Assets that provide benefits to the PCC for a period of more than one year.
Non Distributed Costs (NDC)	Central overheads which cannot be apportioned over services.
OPCC	Office of the Police and Crime Commissioner.
PCC	Police and Crime Commissioner
PCC Group	This refers to the Police and Crime Commissioner and the Chief Constable as a group.
PFI	A private finance initiative (PFI) is a public sector infrastructure project funded with private sector capital.
Precept	A levy collected by the Councils from council taxpayers on behalf of the PCC.
Provisions	Amounts set aside to meet liabilities or losses which are likely to be incurred, but where the actual sum and timing are uncertain.
RCCO	Revenue Contribution to Capital Outturn
Reserves	Funds set aside by the PCC to meet the cost of future expenditure.
Running Costs	General expenditure incurred in the use of premises, transport and equipment such as costs of electricity.
Specific Grant	Grant funding provided to the PCC for use on specific projects.
SSAP	Statements of Standard Accounting Practices.
Third Party Payments	Payments made by the PCC for specialist or support services provided by outside contractors and other bodies.