

Company Registration No. 5214716 (England and Wales)

ASSOCIATION OF POLICE AUTHORITIES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

MONDAY



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ASSOCIATION OF POLICE AUTHORITIES LIMITED

COMPANY INFORMATION

Directors

Bob Jones
Ann Barnes
Phil Blundell
Mark Burns-Williamson
Robert Chambers
Paul Deneen
Simon Duckworth
Rob E. Garnham
Brian Greensdale
Diana Holl-Allan
Kit Malthouse
Paul Murphy
Sir Desmond Rea
Ian Roberts
Byron Rhodes
Peter Thompson
Saima Afzal (co-opted)
Alene Branton
Delyth A. Humphries
Stuart Nagler
Peter Williams
Barry Young

Secretary Mark Castle

Company number 5214716

Registered Office 15 Greycoat Place
London
SW1P 1BN

Auditors Saffery Champness
Lion House
Red Lion Street
London
WC1R 4GB

ASSOCIATION OF POLICE AUTHORITIES LIMITED

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ASSOCIATION OF POLICE AUTHORITIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010

The directors present their report and financial statements for the year ended 31 March 2010

Principal activities

The Association of Police Authorities was set up in April 1997 to represent the interests of all police authorities in England, Wales and Northern Ireland. On 25 August 2004 the Association was incorporated as a private limited company. The new company took over the assets and liabilities of the unincorporated association with effect from 1 April 2004.

The Association has two main roles: to act as the national voice of police authorities and to provide support to police authorities in doing their job locally.

Membership of the Association is by subscription. All police authorities in England, Wales and Northern Ireland, including the British Transport Police Authority, are full (voting) members of the Association.

The NPIA (National Police Improvement Agency), the Civil Nuclear Police Authority, the Ministry of Defence Police Committee, the Scottish Police Authorities Conveners' Forum and Gibraltar are associate (non-voting) members.

Review of the Year and Future Developments

The Association continues to build on already strong foundations, including strengthening its position as a respected and credible player on the national stage. The Association has also continued to extend the range of support, which it provides to member authorities including through training, seminars and events.

The Association has maintained constructive relationships with other key players in the policing field, such as the Home Office, NPIA, ACPO, Staff Associations and Unions, the Audit Commission and HMIC.

Throughout the year, the Association has continued to extend the range and breadth of its business and the influence it exerts nationally.

Substantial APA resources, both financial and staff time, have been directed towards working with our member authorities to impart a service that supports individual police authorities to provide for the needs of their local communities, whilst also maintaining a robust corporate vision.

During the year the APA also contributed extensively to national and strategic issues including the Green Paper, the Flanagan Review, development of the resultant Policing Bill and allied matters, as well as continuing to contribute to wider policing services including Counter-Terrorism, protective services, the ongoing roll-out of Neighbourhood Policing, as well as having close involvement in negotiations for Police Officers covering police officer and staff pay and other terms and conditions through involvement in partners, the statutory and advisory police bodies. The APA's work on multifarious areas along with other tripartite partners continued, encompassing workforce modernisation, the Police Information Systems Strategy, the Confidence Measure, Leadership and Finance & Efficiency, Police Authority Inspection and Improvement, as well as on the continued development of responsiveness issues and the Olympics. Other major areas of work included Equalities, Diversity and Human Rights issues within policing, as well as police performance and the changing performance landscape.

ASSOCIATION OF POLICE AUTHORITIES LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2010

The Association will continue to support individual police authorities' members and staff by holding conferences, seminars and workshops, keeping authorities up to date with events and producing guidance and good practice manuals

Directors

The following directors have held office since 1 April 2009

Bob Jones	Ceased on 15 September 2009
Phil Blundell	Ceased on 30 July 2009
Mark Burns-Williamson	
Alene Branton	Appointed on 16 September 2009
Delyth A Humfryes	Appointed on 19 June 2009
Brian Greenslade	
Diana Holl-Allan	
Saima Afzal (co-opted)	
Peter Williams	Appointed on 16 September 2009
Stuat M Nagler	Appointed on 14 October 2009
Barry Young	Appointed on 16 September 2009
Simon Duckworth	
Peter Thompson	
Robert Chambers	Ceased on 15 September 2009
Rob E Garnham	
Paul Murphy	
Ann Barnes	
Byron Rhodes	Ceased on 15 September 2009
Paul Deneen	
Kit Malthouse	
Ian Roberts	Ceased on 1 July 2009
Sir Desmond Rea	

The Board of Directors is elected annually and provides strategic direction to the work of the Association, represents the Association in negotiations with government, ACPO and other bodies, and has power to take executive decisions on urgent matters. The Board has power to co-opt two other members. In addition, the Chair of the MPA or their nominee is automatically a member of the Board.

At the Annual General Meeting on 15 September 2009 the members elected Rob Garnham as the Chairperson, and Mark Burns-Williamson and Ann Barnes as the Vice-Chairpersons of the Association. During the Annual General Meeting the members also re-appointed Baroness Henig of Lancaster as Honorary President of the APA.

Directors' interests

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

ASSOCIATION OF POLICE AUTHORITIES LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2010

APA Council Sessions

The main business of the organisation is conducted in the APA Council session, which meets quarterly. It has 75 members, drawn from each of the bodies in membership of the Association.

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

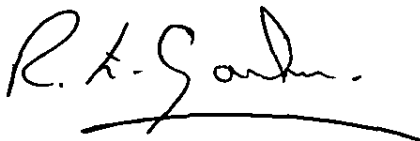
So far as each of the directors is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information.

The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and within the Financial Reporting Standard to Smaller Entities (effective April 2008).

On behalf of the board

Rob Garnham
Chairman

14 July 2010



ASSOCIATION OF POLICE AUTHORITIES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASSOCIATION OF POLICE AUTHORITIES LIMITED

We have audited the company's financial statements on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion, the financial statements

- give a true and a fair view of the state of affairs of the company as at 31 March 2010 and of its profit for the year then ended; and
- have been properly prepared in accordance with United Kingdom and Generally Accepted Accounting practice, and
- have been prepared in accordance with the requirement of the Companies Act 2006.

ASSOCIATION OF POLICE AUTHORITIES LIMITED

INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF ASSOCIATION OF POLICE AUTHORITIES LIMITED

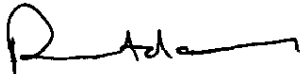
Opinion on the matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanation we require for our audit



Peter Adams (Senior Statutory Auditor)

For and on behalf of
Saffery Champness
Chartered Accountants
Statutory Auditors

Lion House
Red Lion Street
London
WC1R 4GB

Date 24 September 2010

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £	2009 £
Incoming resources		2,228,556	2,227,788
Expenditure		2,047,337	2,221,402
Operating surplus	2	181,219	6,386
Exceptional item	3	102,340	-
Other interest receivable and similar income		630	31,194
Other finance expense	4	(10,000)	(8,000)
Surplus on ordinary activities before taxation		274,189	29,580
Tax on surplus on ordinary activities	5	-	-
Surplus on ordinary activities after taxation	10	274,189	29,580

The income and expenditure account has been prepared on the basis that all operations are continuing operations

The notes on pages 9 to 14 form part of these financial statements

ASSOCIATION OF POLICE AUTHORITIES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2010**

	2010	2009
	£	£
Surplus for the financial year	274,189	29,580
Actuarial (loss)/gain on pension scheme assets	(235,000)	115,000
Total recognised gains and (losses) for the year	<u>39,189</u>	<u>144,580</u>

ASSOCIATION OF POLICE AUTHORITIES LIMITED

BALANCE SHEET AS AT 31 MARCH 2010

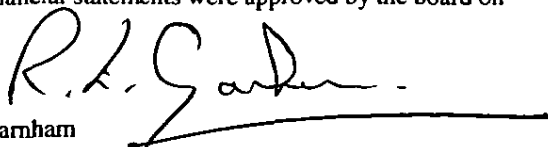
	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible asset	6		64,790		71,616
Current assets					
Debtors	7	341,338		273,394	
Cash at bank and in hand		830,661		876,626	
		<u>1,171,999</u>		<u>1,150,020</u>	
Creditors: amounts falling due within one year	8	458,600		724,636	
Net currents assets			<u>713,399</u>		<u>425,384</u>
Total assets less current liabilities			<u>778,189</u>		<u>497,000</u>
Pension scheme liability	9		(328,000)		(86,000)
			<u>450,189</u>		<u>411,000</u>
Capital and reserves					
Pension scheme deficit	10		(328,000)		(86,000)
Income and expenditure account			778,189		497,000
	11		<u>450,189</u>		<u>411,000</u>
Total funds					

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the financial Reporting Standards for Small Entities (effective April 2008)

The notes on pages 9 to 14 form part of these financial statements

The financial statements were approved by the board on 14 July 2010

Rob Garnham
Director



Registered company number 5214716 (England and Wales)

ASSOCIATION OF POLICE AUTHORITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards

1.3 Income

Income represents subscriptions, grants, sponsorship and other contributions and are accounted for when the company is entitled to receipt

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

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

1.5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17

2 Operating surplus	2010	2009
	£	£
Operating surplus is stated after charging		
Depreciation of tangible assets	6,826	20,396
Auditors' remuneration	6,500	6,500
Other services - previous year	4,675	-
	<hr/>	<hr/>
3 Exceptional item	2010	2009
	£	£
Provision for creditors from earlier years no longer required	102,340	-
	<hr/>	<hr/>
4 Other finance expense	2010	2009
	£	£
Expected return on pension scheme assets	27,000	33,000
Interest on pension scheme liabilities	(37,000)	(41,000)
Net (cost)/ return	<hr/> (10,000) <hr/>	<hr/> (8,000) <hr/>

ASSOCIATION OF POLICE AUTHORITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

5 Taxation

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

6 Tangible fixed assets

	Leasehold improvements	Office fittings and equipment	Total
	£	£	£
Cost			
At 1 April 2009	102,390	55,318	157,708
Additions	-	-	-
At 31 March 2010	<u>102,390</u>	<u>55,318</u>	<u>157,708</u>
Depreciation			
At 1 April 2009	30,774	55,318	86,092
Charge for the year	6,826	-	6,826
At 31 March 2010	<u>37,600</u>	<u>55,318</u>	<u>92,918</u>
Net Book Value			
At 31 March 2010	<u>64,790</u>	<u>-</u>	<u>64,790</u>
At 31 March 2009	<u>71,616</u>	<u>-</u>	<u>71,616</u>

7 Debtors

	2010 £	2009 £
Subscription debtors	182,430	171,091
Other debtors	158,908	102,303
	<u>341,338</u>	<u>273,394</u>

ASSOCIATION OF POLICE AUTHORITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2010**

8 Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	102,965	249,037
Other creditors	355,635	475,599
	<u>458,600</u>	<u>724,636</u>

9 Pension costs

Defined benefit

The employees of the company are entitled to membership of the Merseyside Defined Benefit Pension Scheme. The most recent full actuarial valuation was on 31 March 2007 and was carried out by a qualified independent actuary.

Employer contributions to the scheme are 8.5% of pensionable salary.

The amounts recognised in the balance sheet are as follows

	2010	2009
	£	£
Present value of funded obligations	934,000	498,000
Fair value of scheme assets	<u>(606,000)</u>	<u>(412,000)</u>
	<u>328,000</u>	<u>86,000</u>
Amount recognised in the balance sheet		
Excess liabilities	<u>328,000</u>	<u>86,000</u>

The amounts recognised in the profit and loss account for the period are as follows

	2010	2009
	£	£
Current service cost	(24,000)	(55,000)
Interest on pension plan obligations	(37,000)	(41,000)
Expected return on plan assets	27,000	33,000
Settlement / curtailment gain	-	-
Total	<u>(34,000)</u>	<u>(63,000)</u>

ASSOCIATION OF POLICE AUTHORITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

9 Pension Costs (continued)

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

	2010	2009
	£	£
Opening value of defined benefit obligation	498,000	659,000
Current service costs	24,000	55,000
Interest cost	37,000	41,000
Member contributions	21,000	25,000
Past service cost	-	-
Actuarial (gain) / loss	354,000	(236,000)
Benefits paid	-	(46,000)
Closing value of defined benefit obligation	<u>934,000</u>	<u>498,000</u>

Changes in the fair value of the plan assets are as follows

	2010	2009
	£	£
Opening fair value of plan assets	412,000	494,000
Expected return on assets	27,000	33,000
Actuarial gains/(losses)	119,000	(121,000)
Employer contributions	27,000	27,000
Member contributions	21,000	25,000
Benefits paid	-	(46,000)
Closing fair value of plan assets	<u>606,000</u>	<u>412,000</u>

The Association expects to contribute £25,000 to the plan in 2010/11

The major categories of plan assets as a percentage of total plan assets are

	2010	2009
Equities	63.6%	57.5%
Government bonds	12.1%	16.1%
Other bonds	6.6%	5.9%
Property	6.3%	8.7%
Cash	2.6%	4.5%
Other	8.8%	7.3%
Total	<u>100.0%</u>	<u>100.0%</u>

ASSOCIATION OF POLICE AUTHORITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2010

9 Pension Costs (continued)

Principal actuarial assumptions at the balance sheet date (expressed as a percentage)	2010	2009
Discount rate at 31 March	5.7%	7.1%
Expected return on plan assets	6.6%	5.30%
Rate of increase in salaries	4.75%	4.55%
Rate of increase of pensions in payment	3.5%	3.3%
Inflation assumption	3.5%	3.3%

Amounts for the current and previous four periods are

	2010	2009	2008	2007	2006
Defined benefit obligation	(934,000)	(498,000)	(660,000)	(372,000)	(309,000)
Plan assets	606,000	412,000	494,000	317,000	247,000
Surplus / (deficit)	(328,000)	(86,000)	(166,000)	(55,000)	(62,000)
Experience adjustments on plan liabilities	-	-	(184,000)	-	-
Experience adjustments on plan assets	119,000	(121,000)	108,000	-	-

ASSOCIATION OF POLICE AUTHORITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

10 Statement of movements on income and expenditure account

	Pension scheme deficit £	Income and expenditure account £	Total reserves £
Balance at 1 April 2009	(86,000)	497,000	411,000
Retained surplus for the year	(7,000)	281,189	274,189
Actuarial losses on pension scheme assets	(235,000)	-	(235,000)
Balance at 31 March 2010	(328,000)	778,189	450,189

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

11 Reconciliation of movements in funds

	2010 £	2009 £
Surplus for the financial year	274,189	29,580
Other recognised losses and gains	(235,000)	115,000
Opening funds	411,000	266,420
Closing funds	450,189	411,000

12 Financial commitments

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2010 £	2009 £
Expiry date		
In 2-5 years	64,790	79,275
In over five years	-	-