



**College of
Policing**

College of Policing
Annual Report & Accounts
For the period ended 31 March 2014

**College of Policing Limited, Leamington Road, Ryton-on-Dunsmore,
Coventry CV8 3EN**

Company No: 08235199

About the College

College of Policing Ltd (The College of Policing) is the professional body for police officers and staff of all grades and ranks across England and Wales. It became operational on 1 December 2012. It is a company limited by guarantee and its Member (owner) is the Home Secretary. The College is the first national policing body to have been established in the public interest and for all in policing.

Our purpose and objective

The College of Policing's purpose is to support the mission of policing: to prevent crime and protect the public. It operates in the public interest to achieve this purpose through its five strategic objectives:

- i. setting standards of professional practice for police officers, police staff and those who work in policing;
- ii. accrediting training providers and setting the learning and development outcomes for police officers and police staff;
- iii. identifying, developing and promulgating good policing practice based on the best available evidence;
- iv. supporting police forces and other organisations to work together to protect the public and prevent crime; and
- v. identifying, developing and promulgating ethics, values and standards of integrity for the police.

These objectives provide the framework for determining and shaping the College's priorities, strategy and delivery plans.

Company Information

Registered address: College of Policing Limited,
Leamington Road,
Ryton-on-Dunsmore,
Coventry
CV8 3EN

Registered Number: 08235199

VAT Number: 152023949

Auditors: Comptroller & Auditor General,
National Audit Office
157-197 Buckingham Palace Road,
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1. Chair's Foreword

I am pleased to present the report and accounts of the College of Policing for this period to 31 March 2014.

Although we are reporting on only three months, we are, nonetheless, able to report significant progress in the College's work against all of its strategic objectives.

The continuing development of the Code of Ethics for Policing in England & Wales was a high priority. Having such a code is a core element of increasing our professional standards and the Code of Ethics will set out the principles and standards of professional behaviour for the policing profession. It will enable the police officers and staff, who have to make tough decisions constantly, to do the right thing and to have the confidence to challenge the behaviours of others, no matter what their grade or rank. It will also enable the public to know what standards they should expect from the police across England and Wales. Our public consultation on the code, generated 3,400 responses, from members of the public, police professional and others, all of which were considered and helped to shape the final product.

The Anti-Social Behaviour, Crime and Policing Crime Act, that gained royal assent in March, gave the College a number of new powers, including the power to issue codes of practice. It was fitting that the first code of practice that we were to issue was to be the Code of Ethics.

As the national What Works Centre in Crime Reduction, the College is committed to embedding the use of evidence in policing interventions. We are building links between the police and academia and enhancing the skills within the profession so officers and staff can take increasingly active roles in research on crime and public safety.

In January, we were able to award grants, amounting to £600,000, to new partnerships to create local networks, run events and carry out training and research. The innovation and purpose of the proposals submitted was impressive and the delivery will have a positive impact on both public protection and the continuous professional development of all in policing. As one of our academic partners said: "This could change the ways in which policing is delivered ...and has the potential to place both UK policing and UK universities at the forefront of evidence-based policing globally".

In this period, the College began research in a number of areas, including the use of body-worn video. We are working with Essex Police to assess its impact on the evidence captured in domestic abuse cases and with the Metropolitan Police Service looking at its impact on complaints, stop and search incidents and value for money.

As we grow the profession of policing, we must attract the best people from the widest range of backgrounds with the right skills, who will be able to lead at all levels and protect the public in the best possible way. We took an important

step towards that in the early part of the year as we developed two new routes into policing. The fast track entry for high potential individuals aims to attract those who may become Police Inspectors within three years, and will include external and internal candidates. The direct entry (Superintendents) programme is for highly talented leaders from outside policing who, if they are successful, will be confirmed in to this senior rank after only eighteen months training and support. These programmes and the learning we gain from them will also drive improvement in leadership training and benefit colleagues across all of policing.

We were pleased to launch the on-line hub for Authorised Professional Practice in March. This means that the guidance for operational officers and staff is now available on tablets and smart phones, so they can access it when and where they need it. Apart from some restricted items, it is also open to the public, a significant step in improving transparency. The College continues to deliver, develop and accredit training and to ensure that it is current and meets the needs of the police and the public. In this period, new training materials included: the new Domestic Violence Disclosure Scheme ("Claire's Law"); the Domestic Violence Protection Order; cyber-crime training for over 2000 investigators; and custody training, with modules on mental health and restraint issues.

Throughout this period, the College continued its comprehensive internal organisational change programme. This involved work to build the right functions, workforce, structures and estate to enable us to deliver effective services for our future members. We made significant progress and I continue to be impressed by the professionalism, diligence and spirit of the College staff through this on-going period of change.

I am grateful for the hard work of the Chief Executive and his senior team, as well as the commitment to excellence of all staff across our various sites. I am also grateful to my fellow Board Directors for their role in providing strategic direction and support to the College.

**Professor Dame Shirley Pearce CBE
Independent Non-Executive Chair**

2. Directors' Report

The Directors present their report and accounts for the three month period ended 31 March 2014.

2.1 Board of Directors

As the Member of the College of Policing, the Home Secretary appoints the Chair and members of the Board of Directors. The College Board is led by an independent Chair and comprises: the Chief Executive of the College; three Chief Constables; a member nominated by the Police Superintendents' Association of England and Wales; a member nominated by the Police Federation of England and Wales; three Police and Crime Commissioners and the Chair of a police authority; and three other independent persons appointed by the Home Secretary. The post on the Board that was to be nominated by police staff is now being filled through a competitive recruitment process and the College expects that the appointment will be made in Autumn 2014.

The Board is the guardian of the public interest and all directors bring their professional judgement to bear on matters of strategy, performance, resources and the conduct of College staff. The Board sets the strategic direction of the College and oversees its management of performance and risk, financial management, planning and overall governance. It is supported by a Professional Committee, an Audit & Risk Committee and a Nominations & Remuneration Committee.

Company Directors

Name	Initial Appointment	Tenure Length	Re-appointment date
Millie Banerjee	28/05/13	12 + 12 months	28/05/15
Ann Barnes	28/05/13	12 + 12 months	28/05/15
Katy Bourne	28/05/13	12 + 12 months	28/05/14
Louise Casey	06/03/13	12 + 9 months	31/12/14
Irene Curtis	11/03/13	12 + 12 months	11/03/15
Sir Peter Fahy	20/02/13	12 + 12 months	20/02/15
Bob Jones	28/05/13	12 + 12 months	28/05/15
Julia Lawrence	26/03/13	12 + 12 months	26/03/15
CC Alex Marshall	27/11/12	2 years	27/11/14

(CEO)			
Sir Denis O'Connor	19/02/13	12 + 12 months	19/02/15
Sir Hugh Orde	07/03/13	12 + 12 months	07/03/15
Professor Shirley Pearce (Chair)	04/02/13	18 months +2 years	04/08/16
Prof Lawrence Sherman	19/02/13	12 + 12 months	19/02/15
CC Sara Thornton	26/03/13	12 + 12 months	26/03/15

2.2 Directors' attendance at Board Meetings

The details of the non-executive and executive company directors who attended the Board meetings in the period of the report are as follows.

Member	29/01/14	27/03/14
Prof Shirley Pearce	✓	✓
Alex Marshall	✓	✓
Millie Banerjee	✓	✓
Ann Barnes	✓	✓
Katy Bourne	✓	✓
Louise Casey	X	✓
Irene Curtis	✓	✓
Sir Peter Fahy	X	✓
Bob Jones	✓	✓
Julia Lawrence	✓	✓
Sir Denis O'Connor	✓	✓
Sir Hugh Orde	X	✓
Prof. Lawrence Sherman	✓	✓
Sara Thornton	✓	✓

2.3 Conflicts of Interests

Procedures are in place within the College to ensure Directors' compliance with their duties in relation to conflicts of interest. Board directors are obliged to provide details of direct or indirect interests that conflict with, or may conflict with, the interests of the College. These are recorded on a register of interests. The Board's terms of reference permit it to authorise a conflict of interest, in line with Company Law. The Board authorisation will only be valid if the relevant director does not count in the quorum or vote on a resolution relating to his or her interest. The approach is included in the Board's Ways of Working document. The Register of Interests is published and attached as Annex B to this document.

2.4 Assets transfer

On 1 December 2012, the National Policing Improvement Agency ("NPIA") transferred its learning and development function, together with the related assets and liabilities, to the College for nil consideration.

The College has only recognised in its financial statements those non-current assets transferred from the NPIA for which there is a future economic benefit to the College.

2.5 Pension arrangements

The College's employees are covered by the provisions of the Civil Service pension arrangements which is an unfunded multi-employer defined benefit scheme.

The accounting treatment of the pension scheme is disclosed in note 1 to the financial statements.

2.6 Auditors

The directors appointed the Comptroller and Auditor General (National Audit Officer) as auditor to the College of Policing under the Companies Act 2006. The estimated total amount of the external audit fee for the three month period to 31 March 2014 was £44,000 plus VAT. The NAO was not paid for any work of a non-audit nature during the period.

The College of Policing uses internal audit services that were provided free of charge by the Home Office for the three month period to 31 March 2014.

2.7 Social and Community Matters including employment

The College continues to develop and strengthen engagement between the senior management team and all staff. In the reporting period, actions that have contributed towards keeping staff up-to-date on issues and developments have included: weekly messages from the CEO staff to all staff; engagement events at College sites; web chats to enable staff to raise questions and issues with the Chair, CEO and members of the Executive team; regular intranet news stories; and a programme of change communications.

As of 31 March 2014 the College's Full Time Equivalent (FTE) headcount was 533 people. The headcount is the number of permanent employees. Additionally, the College had 61 agency staff and 185 secondees. Sickness absence figures are shown below, they are measured against the number of employees on the payroll during the relevant period.

COLLEGE PERMANENT FTE HEADCOUNT AND STAFF SICKNESS DATA

Month	FTE Permanent Staff	All FTE Staff Working Days in Month	Working Days Sickness	% working days lost to sickness
January 2014	518.7	11,411	222	1.95%
February 2014	518.9	10,378	219	2.11%
March 2014	516.5	10,847	284	2.62%

2.8 Information Assurance

Although there is no legal obligation to report serious breaches that result in loss, release, or corruption of personal data, the Information Commissioner believes that serious breaches should be brought to his attention, and the College adheres to this approach. The Governance Statement, at Section 6, includes the key controls in place to manage and assure information.

2.9 Compliance with public sector payment policy

In the three months to March 2014, the College of Policing's policy has continued to be to pay valid invoices within 30 days of receipt, unless the amount is in dispute or a longer payment period has been agreed. The College of Policing's standard terms and conditions set out this 30 day payment policy.

Supplier Payments	Jan – March 2014
% Invoices Paid within 30 days	77%

At 31 March 2014, the College of Policing had trade creditors of £700k which amounted to fourteen days as measured against all payments to suppliers in the period.

2.10 Statement of College's Policy on employees with disabilities

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retain them and adjustments made to work and/or facilities where reasonably practicable and as appropriate in order that their employment with the company can continue. It is the policy of the College of Policing that training, career development and promotion opportunities should be available to all employees.

2.11 Political and Charitable Contributions

The College made no political donations or charitable donations and incurred no political expenditure during the period.

2.12 Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware, and each director has taken all steps that he or she ought to have taken as director to make himself or herself aware of any relevant audit information and to establish that the College's auditors are aware of that information.

2.13 Compliance with the cost allocation and charging requirements

The College has worked with the Home Office and HM Treasury to ensure compliance with the cost allocation and charging requirements set out in HM Treasury guidance.

2.14 Financial Risks Management

The Board are continually reviewing the exposure to credit, liquidity and cash flow risk. For the period ended 31 March 2014 the College's risk management controls operated well and the College were not exposed to any significant risk in these areas

2.15 Other Material Issues

There have been no material events that have, or are expected to, affect the College, since the end of the period of this report. The detail of a number of future developments in the College's business is set out in the Strategic Report. This includes the strategic intent to build its membership, including not only police officers and staff in England & Wales but also academic, international and other partners. The College conducts social research to inform the standards it develops across policing practice and does not invest in technical research and development.

By order of the Board

**Chief Constable Alex Marshall
Chief Executive and Accounting Officer
17 December 2014**

3. Strategic report

3.1 Principal Activities

The College is the professional body for policing in England and Wales and is for all in policing, including all ranks and grades of officers and staff. It has been established in the public interest. Its objectives are to:

- set standards of professional practice;
- accredit training providers and set learning and development outcomes;
- identify, develop and promote good practice based on evidence;
- support police forces and other organisations to work together to protect the public and prevent crime; and
- identify, develop and promote ethics, values and standards of integrity.

The College is aiming to become more independent of government and to attain legal status as a chartered body. It is working through a significant change programme to develop the right functions, priorities, structures, resources and partnerships to enable it to become a world-class, professional body.

3.2 Business Review

The College's strategic objectives, as set out above, are reflected in its legal Terms of Reference and in its business plan for 2013/14. The plan included examples of delivery priorities that would provide the evidence of its achievements against its objectives. The delivery focus has been on: ensuring the continuity of core services, such as recruitment and progression processes, training delivery and national standards; the initiation of new priority programmes that are essential to achieving the College's purpose and long-term strategy; the development of its longer-term function and form; and establishing its own good governance. It has achieved a significant amount in all of these areas.

3.3 Review of Performance

The table below compares the College of Policing's financial outturn for the three month period ended 31 March 2014 with its budget.

	Budget £ million	2013/14 Spend £ million	(Over) / underspend £ million
Loss before taxation	13.49	12.97	0.52
Capital expenditure	2.78	2.69	0.09

The outturn for revenue spend for the three months to 31st March 2014 was £520k under budget. Main adverse factors were £1m of pay cost relating to the Change Programme, outward grant payments in excess of £1.5m approved by the Home office and £1.2m of IT spend that was reclassified as Revenue expenditure following the December 2013 year end audit.

The adverse movements were offset by increased levels of income of £2.2m due to increased training delivery activity undertaken by the College and a reduction in depreciation charges in excess of £1.4m.

The capital expenditure for the three months to 31st March 2014 was some £90k below that budgeted. This spend consisted mainly of IT related expenditure sitting in Assets Under Construction and concerned the large College IT refresh that was in the process of roll out as at the March 2014 year end.

The short three month reporting period has been adopted to bring the College into line with the reporting periods used by the other entities within the Crime & Policing Group and the wider Home Office Group into which our results are consolidated.

It should be noted that comparison of a pro-rated version of the three months accounts to 31st March 2014 versus the 15 months accounts to 31st December 2013 will lead to anomalous results. Most of our customers are public sector organisations who work to a 31st March year end and there tends to be a dramatic increase in the uptake of training by customers over the last three months of any given financial year. This in turn impacts upon debtors and accrual levels.

The cash flow balance for the three month period has reduced from a 31st December balance of £8.7m to a 31st March year-end balance of £3.4m. The £8.7m brought forward balance was unusually high, due in part to unforeseen receipts of around £400k but mainly to forecast payments in excess of £2.1m to the Home Office and others that were not settled in December 2013 as expected.

3.4 Performance against key performance indicators

This section sets out some of the delivery highlights, in the period to 1 January - 31 March 2014, in line with the College's established objectives and its 2013/14 annual plan.

Setting standards

- Public Protection and Major Investigation programme published standards relating to Child Abuse and Child Sexual Exploitation
- Local Policing Programme launched that includes demand profiling, what works in local policing, public engagement and review of technology.
- New evidence-based standards published for Public Order and Domestic Abuse

Accrediting training

- Pilot Undercover Authorising Officer training delivered to Chief Officers and new programme informed
- Leadership development activity included a new cohort for High Potential Development Scheme and training for senior leaders in the Special Constabulary
- All forces that are licensed and accredited to deliver training have received support to build their capacity and capability to improve services.

Promoting evidence-based policing

- The work of the What Works Centre consortium of Universities included a review of all reviews of crime reduction interventions
- The interactive research map was developed further and requirements set for the on-line evidence base tool
- Significant engagement including establishment of an Evidence Champion Network and POLKA (Police On-Line Knowledge Area) site and support to forces applying for Innovation Funding

Supporting partnership working

- Stocktake of Integrated Offender Management to enhance partnership working
- Cross – sector leadership exchange programme including the Fire Service, the NHS and other bodies
- Leading Powerful Partnership course bringing together leaders from different sectors

Leading on Ethics and Integrity

- The Code of Ethics approved for publication and support materials created to help embed the code and the culture across the profession
- Work underway to develop a Code of Practice for vetting
- Register created of officers who have been dismissed, or have resigned or retired while under investigation, for gross misconduct

3.5 Future Developments

As the professional body for policing, the College is building its unique status and identity, ensuring it has the right purpose, functions, culture and operating model and a sustainable financial and commercial model. A major milestone, in June 2014, was completing the recruitment of the Executive Directors, who will lead the development of the College. Core elements of this work include creating the right offer for its potential members, ensuring its staff have the right skills, knowledge and experience to enable the College to succeed and reviewing and revising its estate so that it meets the needs of the organisation and its members.

The College Board, with the approval of the Home Secretary, has commissioned a review of the Board, including its role and effectiveness and the size and composition that it needs to take the College forward successfully. The review will report to the Home Secretary by November 2014.

The College is leading work with partners to define its place in the landscape and its relationship with other national policing bodies. It is doing so in the context of recent reviews¹ of different aspects of policing and the changes to the roles of the Independent Police Complaints Commission (IPCC) and Her Majesty's Inspectorate of Constabulary (HMIC). The detail is complex but put simply:

- the College sets standards
- Chief Constables' Council, as the operational co-ordinating body, informs implementation nationally and ensures consistency of application of standards
- individual Chief Officers and forces implement those standards
- PCCs hold Chief Constables to account
- HMIC inspects against standards set by the College
- IPCC deal with incidents where standards may not have been met, inform future standards through lessons learned and may enforce sanctions against individuals and forces

In developing standards of professional practice, as the professional body for all those working in policing, the College will work with teams that include the police, partner organisations and the public. During 2014/15, it aims to establish and support the structures and ways of working that will ensure that all standards are informed by the best available evidence and a range of informed perspectives.

The College is the voice of the profession of policing and speaks about national policing standards. It is leading on a series of high-level forums, conferences

¹ Independent review of ACPO - General Sir Nick Parker KCB, CBE November 2013
The Normington Report on reform of the Police Federation - Sir David Normington GCB January 2014
Policing for a Better Britain - Report of the Independent Police Commission - The Lord Stevens of Kirkwhelpington QPM - 25 November 2013

and events that will facilitate informed debate and consideration of policing issues.

The Board of Directors and the Home Secretary, as the Member, share the ambition for the College to achieve chartered status as soon as possible and to become more independent of government. The Anti-Social Behaviour, Crime and Policing Act 2014, gave the College statutory powers to:

- prepare Police Regulations that the Home Secretary will make;
- issue Codes of Practice, with the approval of the Home Secretary, to which chief officers must have regard ; and
- issue guidance relating to police staff and contractors.

The Act also enabled the College to employ directly its Chief Executive Officer, Alex Marshall from September 2014, and this has since been approved.

The College of Policing's Five-Year Strategy will be published in Autumn 2014. It will set out its long-term priorities and strategic objectives. Its annual plans will define the work of the College, to ensure the realisation of the strategy and to address emerging priorities. The College will continue to embed in policing the core characteristics found in established professions. The Code of Ethics sets out the principles and standards of behaviour the public expect to see from police professionals. The national curriculum for continuous professional development and robust accreditation of training will enable all in policing to take responsibility for acquiring and maintaining the skills and knowledge necessary to perform their roles most effectively. This will enhance the public interest and facilitate more flexible professional careers. The College is developing its membership offer, including how its members can influence its governance as well as contributing to the creation of its products and services.

3.6 Principal risks and uncertainties

The College of Policing maintains a risk register of its corporate level risks. It manages them through a framework based on the "Management of Risk" approach that is cascaded through business units, projects and programmes. Risks defined as having an impact on the College's medium to long-term goals and objectives are overseen by the Audit & Risk Committee and the Board. Following work with the Chartered Institute of Public Finance Accountants (CIPFA) and the Audit & Risk Committee, the College defined four corporate risks and related sub-risks pertaining to the three month period of this report, in order to focus action where it was needed the most. These are summarised below and more detail is in the Governance Statement in Section Six.

Risk 1 – Operational Independence and Identity

The College fails to or is perceived to fail to operate sufficiently independently from Government and does not establish its distinct status as the professional body for policing

Risk 2 – Financial Independence, Viability and Credibility

The College fails to become a financially viable body, sufficiently independent from government grant-in-aid.

Risk 3 – Inherited Risks and Capability

The College is impacted negatively by risks inherited from the pre-cursor organisation and does not have the strategic capability to operate effectively in new policing landscape.

Risk 4 - Strategic Direction

The College does not set and follow a clear strategic direction, in line with its role, purpose and operating model.

3.7 Sustainability Performance Summary

The Greening Government commitments² set firm goals for departments to reduce the impact they have on the environment by reducing carbon emissions, water use, waste and supply chain impacts by 2015 (measured against a baseline year of 2009/10).

The commitments apply to the office and non-office estate of central government departments and their Executive Agencies (EAs), Non-Ministerial Departments (NMDs) and executive Non-Departmental Public Bodies (NDPBs) who must report in line with these commitments using both financial and non-financial information. As the College is wholly funded by the Home Office it must also comply with these requirements.

The College's energy usage is outlined in the below summary table. The full sustainability report is included at Annex C.

Area	Jan-March 2014
Greenhouse Gas emissions (scopes 1,2,3 business travel, incl air/rail) (tCO ₂ E)	3,337
Energy consumption (Gas and Electricity) kWh	7,849,312
Energy expenditure (Gas and Electricity) £	198,600
LPG consumption Lts	21,177
LPG expenditure £	19,683
Estate waste amount in tonnes	34.35
Estate waste expenditure £	3,579
Estate water consumption m ³	17,537
Estate water expenditure £	12,711

² <http://sd.defra.gov.uk/gov/green-government/commitments/>

3.8 College workforce representation

The table below summarises the make-up of the College at 31 March 2014.

Age	31 st March 2014		31 st December 2013	
	Volume	% Total	Volume	% Total
20 and under	1	0.1%	1	0.1%
21 - 30	65	8.3%	66	8.6%
31 - 40	196	25.2%	194	25.3%
41 - 50	249	32.0%	242	31.7%
51 - 60	224	28.8%	226	29.5%
61 plus	44	5.6%	37	4.8%
Grand Total	779	100	766	100

Gender	31 st March 2014		31 st December 2013	
	Volume	% Total	Volume	% Total
Female	387	49.7%	381	49.7%
Male	392	50.3%	385	50.3%
Grand Total	779	100	766	100
Breakdown by:				
Directors (Incl. Chief Officers)				
Female	1	25.0%	0	0
Male	3	75.0%	3	100%
Grand Total	4	100	3	100%
Senior Managers (3B +)				
Female	19	44.2%	20	43.5%
Male	24	55.8%	26	56.5%
Grand Total	43	100	46	100
Other Employees				
Female	367	50.1%	361	50.3%
Male	365	49.9%	356	49.7%
Grand Total	732	100	717	100

Disability	31 st March 2014		31 st December 2013	
	Volume	% Total	Volume	% Total
Disability Declared	30	3.9%	31	4.1%
No Disability	322	41.3%	337	44.0%
Prefer Not to Say	24	3.1%	24	3.1%
Unknown / Blank	403	51.7%	374	48.8%
Grand Total	779	100	766	100

3.9 The Estate

The College has a mixture of freehold and leasehold sites and holds occupancy rights under a memorandum of terms of occupation as part of the transfer of relevant estates from the National Policing Improvement Agency.

It has continued to work to close some of its sites and relocate staff and functions to new sites that are better suited to the College of Policing objectives and provide an environment that is modern and flexible. Moves from the sites in Harrogate and Bramshill were in development in this period. Other changes to the estate, including the planned move from the Wyboston site, may include working with other partners and organisations, including the police and academia. The College is also working to streamline its estate support contracts.

3.10 Going concern

The financial statements are prepared on the basis of going concern. The Directors expect that the College of Policing will continue operations for the foreseeable future.

This opinion is based on the legislative and policy commitments made by the Home Secretary as member of the company in the Anti-Social Behaviour Crime and Policing Bill.

It also reflects the Statement of Financial Position that, as at 31 March 2014, shows non-current assets less net current liabilities of £18,262k. In addition, the activities of the College of Policing are primarily financed by the Home Office.

The College has received a budgetary delegation from the Home Office for 2014/15 that is sufficient to meet the College's liabilities in that year. It is in discussions with the Home Office regarding funding requirements for future years. There is no reason to believe that adequate levels of grant-in-aid will not be forthcoming from the Home Office.

Having considered the circumstances described above, and from discussion with the Home Office, the College of Policing's directors consider it appropriate to adopt a going concern basis for the preparation of the financial statements.

By order of the Board

Chief Constable Alex Marshall
Chief Executive and Accounting Officer
17 December 2014

4. Remuneration Report

Board of Directors

	Date Appointed	Date Re-Appointed	Term Ends	Fee £'000
Millie Banerjee	28 May 2013	28 May 2014	28 May 2015	No remuneration
Ann Barnes	28 May 2013	28 May 2014	28 May 2015	No remuneration
Katy Bourne	28 May 2013	28 May 2014	28 May 2015	No remuneration
Louise Casey CB	06 February 2013	06 March 2014	31 December 2014	No remuneration
Irene Curtis	11 March 2013	11 March 2014	11 March 2015	No remuneration
Sir Peter Fahy QPM	20 February 2013	20 February 2014	20 February 2015	No remuneration
Bob Jones	28 May 2013	28 May 2014	28 May 2015	No remuneration
Julia Lawrence	26 March 2013	26 March 2014	26 March 2015	No remuneration
Alex Marshall QPM (CEO)	27 November 2012		27 November 2014	Page 23
Sir Denis O'Connor QPM	19 February 2013	19 February 2014	19 February 2015	No remuneration
Sir Hugh Orde OBE QPM	07 March 2013	07 March 2014	07 March 2015	No remuneration
Professor Shirley Pearce CBE (Chair)	04 February 2013	04 August 2014	04 August 2016	See Below
Professor Lawrence Sherman	19 February 2013	19 February 2014	19 February 2015	No remuneration
Sara Thornton CBE QPM	26 March 2013	26 March 2014	26 March 2015	No remuneration

Salaries and emoluments of the Chair of the College of Policing Board

Name and date appointed	Salary and Allowances Period to 31 March 2014 (full year equivalent)	Bonus Payments Period to 31 March 2014 (full year equivalent)	Benefits in kind Period to 31 March 2014 (to nearest £100)	Total
	£'000	£'000	£	£'000
Professor Shirley Pearce (4 February 2013 to 4 August 2014)	10-15 (40 – 60)	-	-	10-15 (40 – 60)

Board members are permitted to claim reasonable expenses only, including travel and subsistence reimbursed when attending Board meetings.

Salaries and emoluments of the Senior Management Team

Name and date appointed	Salary and Allowances Period to 31 March 2014 (full year equivalent)	Bonus Payments Period to 31 March 2014 (full year equivalent)	Benefits in kind Period to 31 March 2014 (to nearest £100)	Pension Benefits Period to 31 March 2014 (full year equivalent)	Total
	£'000	£'000	£	£'000	£'000
Alex Marshall QPM Chief Executive Officer	40-45 (175-180)	-	-	In Police Pension Scheme	40-45 (175-180)
Robert Beckley Chief Operating Officer	30-35 (125-130)	-	2,700	In Police Pension Scheme	30-35 (135-140)
Rachel Tuffin Director of Knowledge, Research, and Education From 17 February 2014	10-15 (95-100)	-	-	Please see table on Page 24	10-15 (95-100)
Dr David Horne Build Director Left 31 st March 2014	30-35 (125-130)	-	-	Please see table on Page 24	30-35 (125-130)

Employee Pay

The median employee pay at 31 March 2014 was £29,919. The ratio between the median pay, and that of the highest paid director (the Chief Executive) is 1:6.

The median employee pay has been calculated by grossing up the March payroll for employed staff to achieve an annualised figure and relating this to the full-time equivalent staff at 31st March 2014.

Pension entitlements of the Senior Management Team (Audited)

Name and date appointed	Real increase in pension £'000	Real increase in lump sum £'000	Total accrued pension at pension age at 31/3/14 £'000	Total lump sum at pension age at 31/3/14 £'000	CETV at 01/4/13 (See below) £'000	CETV at 31/3/14 £'000	Real increase in CETV £'000	Pension scheme (Civil Service or as shown)
Alex Marshall QPM * Chief Executive Officer (From 27 November 2012)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Police Scheme (Force)
Robert Beckley * From 24 June 2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Police Scheme (Force)
Rachel Tuffin Director of Knowledge, Research, and Education From 17 February 2014	0-2.5	-	20-25	-	295	310	12	Premium
Dr David Horne College Build Director from 1 October 2012,	0-2.5	-	80-85	-	1046	1103	13	Nuvos

* Alex Marshall was seconded from the Metropolitan Police Service in this period and, therefore, the College of Policing is not responsible for his pension. Robert Beckley is seconded from Avon & Somerset Constabulary which remains responsible for his pension and which charges the College on a monthly basis for its contributions.

Salary and allowances

Salary includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that they were subject to UK taxation.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the College of Policing and treated by HM Revenue and Customs as a taxable emolument.

DCC Beckley received a taxable benefit in kind of £2,700, which related to the use of a London flat during the reporting period.
No other Board members incurred any benefits in kind in the reporting period.

Board members are entitled to be reimbursed for the cost of travelling to/from and staying in London when attending meetings. The taxable portion is included in the Board table on page 22.

Bonuses

Bonuses are declared, if agreed, in the period to which they relate.

No bonuses were paid in the 3 month period ended 31 March 2014.

Civil Service pensions

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Employee contributions are salary-related and range between 3.5% and 8.25% for both the **Nuvos** and **Premium** schemes. Employee contributions will be increased from 1 April 2014.

Nuvos is a defined benefit "whole career" scheme, in which a member builds up a pension based on pensionable earnings during the period of scheme membership. At the end of the scheme year (31 March), the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is updated in line with pensions increase legislation.

Premium is a defined benefit "final salary" scheme, in which a member builds up a pension based on 1/60th of final earnings for each year of reckonable service. The Premium scheme is closed to new members.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 65 for members of **Nuvos**, and 60 for members of **Premium**. Members of both schemes can exchange some of their pension for a tax-free lump sum on retirement.

Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or an arrangement to secure pension benefits in another pension scheme or arrangement, when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of the total years as members of the pension scheme, not just service in the senior capacity to which the disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement that the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchase of additional pension benefits at their own cost.

CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries, and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and it uses common market valuation factors for the start and end of the period.

Seconded police officer pensions

Seconded police officers are members of the pension schemes managed by their police forces.

**Chief Constable Alex Marshall
Chief Executive and Accounting Officer,
College of Policing
17 December 2014**

5. Statement of Accounting Officer's Responsibilities

The Chief Executive is responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Directors are required to follow the principles of the Companies Act 2006 and IFRS, with additional voluntary disclosures added under FReM where this would improve understanding. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the College of Policing for that period.

In preparing those financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards as set under IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the College of Policing will continue in operation.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the IFRS. 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.

The Accounting Officer for the Home Office has designated the Chief Executive as Accounting Officer for the College of Policing. The College of Policing's Accounting Officer is personally responsible for: safeguarding the public funds for which he or she has charge; ensuring propriety and regularity in the handling of those public funds; and the day-to-day operations and management of the College of Policing.

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

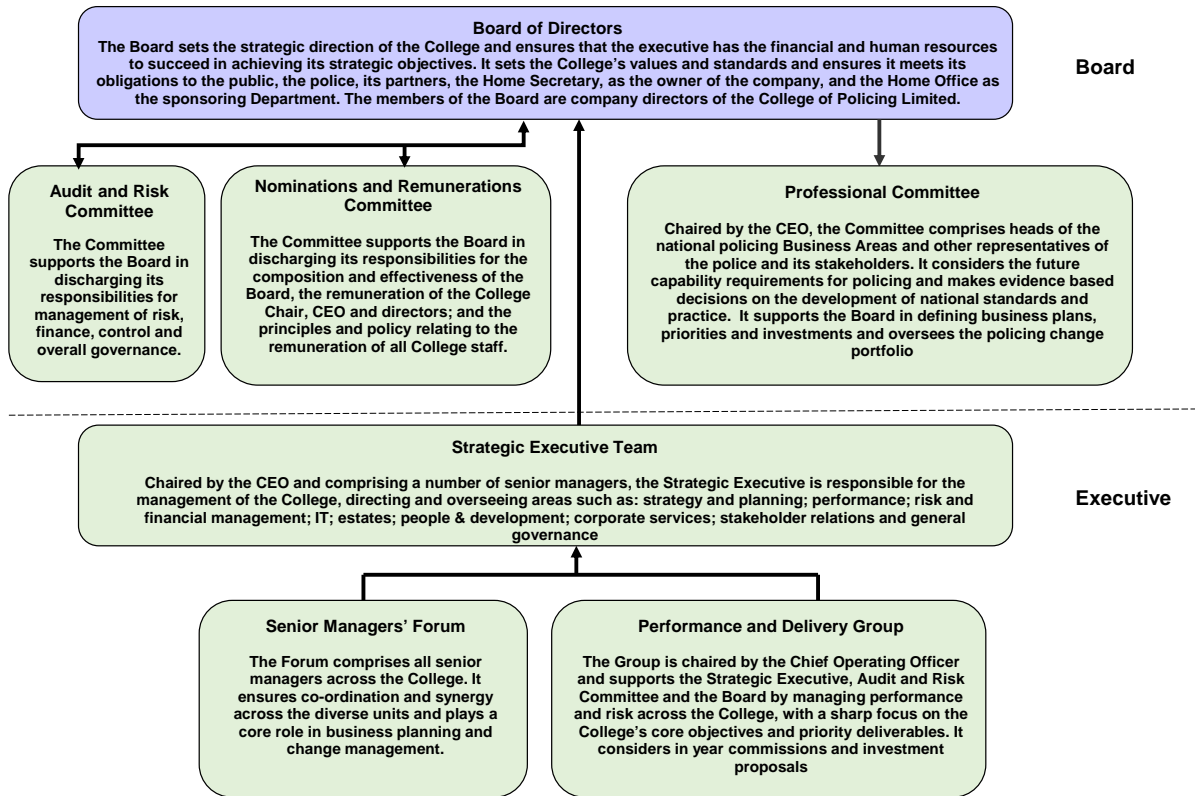
6. Governance Statement

Statement

1. This statement covers the period from 1 January – 31 March 2014.
2. As Accounting Officer, I have responsibility for maintaining sound systems of corporate governance and internal control. This includes effective management of risk and the public funds and assets for which I am accountable.
3. In preparing my Governance Statement, I have consulted and received information from: the Chair and Directors of the Board; senior managers; Home Office officials; external and internal audit. I have also incorporated advice and guidance from HM Treasury, Managing Public Money annex 3.1 and applied the principles set out in the UK Corporate Governance Code, as it is applicable to the College, as a company limited by guarantee.
4. In this period, the College continued to undertake a major change programme to establish the functions, structures, resources and ways of working that it needs to succeed as the professional body for everyone in policing in England & Wales. The College inherited many roles, systems and members of staff from the National Policing Improvement Agency (NPIA) an organisation that had different roles and needs. It has dealt with significant challenges in building this new body while ensuring a continuity of service to the police and other partners in important areas of business, such as setting professional standards and delivering national training and promotion processes.
5. The College is both a company limited by guarantee, owned by the Home Secretary and an Arm's Length Body of the Home Office. It, therefore, complies with company law, in preparing accounts for Companies House, and is subject to the framework of government expenditure and related controls. Its accounts are consolidated with the Home Office for Whole of Government Accounting (WGA) purposes.
6. The College's corporate governance has developed in this period and continues to mature as we appoint the right people to the right roles. The College was without a full senior team of Directors for the three month period of this statement. I was supported by the Chief Operating Officer and senior managers while recruiting the Executive Directors. The full team was in post by June 2014. The changes that we have made to build the professional body have impacted on all staff, with some choosing to leave, others competing for new roles within the College and others preparing for redundancy.
7. The College is nearing the end of its major re-structuring programme and moving in to a more stable interim period. It received a positive audit report from our internal auditors and has acted on their recommendations. We are reviewing currently strengthening our processes for managing risk and performance and the Board of Directors have commissioned a comprehensive review of its effectiveness, role, size and composition to ensure that we have the

right governance to support and enable our future success. The current governance structure is represented below.

The College of Policing Governance Structure



8. I confirm that I have reviewed the governance and internal control and risk management across the College and can confirm that they were effective in this period.

Governance structure

9. The governance structures and processes in the College have been developed to comply with good practice including the UK Corporate Governance Code, HMT's "Corporate Governance in Central Government Departments Code of Good Practice", the Companies' Act and the Managing Public Money framework. This is reflected in the Terms of Reference of the Board and its Committees that are all published on the College website. These documents include the delegation of powers from the Board to the Committees

10. As the Member of the College of Policing, the Home Secretary defined the size and composition of its initial Board and appointed the Chair and members of the Board of Directors. The Board is led by an independent Chair and also comprises: the Chief Executive of the College; three Chief Constables; a member nominated by the Police Superintendents' Association of England and Wales; a member nominated by the Police Federation of England and Wales; three Police and Crime Commissioners and the Chair of a police authority; and three other independent persons appointed by the Home Secretary. Following

an open competition, an individual with experience and knowledge of police staff issues has been selected and recommended to the Home Secretary for appointment as a Board Director. (This seat was defined in the initial Board structure but had not been filled previously).

11. The Board meets, on average, every two months. It considers regular reports on: delivery against plans; the Professional Committee, Audit & Risk Committee (ARC) and Nomination and Remuneration Committee (NRC); the management of performance and risk; financial management; business planning; estates management; Human Resources; and the College's Change Portfolio. Other significant issues for which the Board gave direction or approval included: the Code of Ethics; the Direct Entry and Fast Track flexible entry schemes; the approach to professional development and assessing competencies; the offer to the College's members; and the developing five-year strategy. The Board minutes and Ways of Working, including details of the authority it has delegated to its Committees, and the Terms of Reference of those Committees are all published on the College website. Its minutes are also available for public inspection in the company books. Attendance records are provided in Appendix A.

12. The Chair conducted the first appraisals of the Board Directors, based on performance against objectives. The Chair of the Nomination & Remuneration Committee conducted an appraisal of the Chair of the Board that was informed by the views of all Directors.

13. The NRC supports the Board in discharging its responsibilities for: the composition and effectiveness of the Board; the remuneration of the College Chair, Chief Executive Officer and other Executive Directors; and the principles and policy relating to the remuneration of all College staff, whatever their employment status. It initiated the Board Review that comprised four elements: a questionnaire completed by Directors; a confidential interview between Directors and a consultant; a review of current governance literature and codes; and learning from the experience of other organisations. Its recommendations are being prepared for the Home Secretary. The outcomes of the Board review will include ensuring it has the skills, knowledge and experience to support the long-term future of the College.

14. The ARC supports the Board in discharging its responsibilities for management of the risk, finance and overall governance. In this period, it comprised an independent Board Director as Chair, two Non-Executive Directors and a co-opted member, appointed through a competitive process, who brings valuable experience and knowledge. The ARC plans to meet at least four times a year and provides rigorous and constructive challenge in the areas of risk and control. In this period it gave clear direction to a revised approach to risk management and was closely involved in overseeing the annual report and accounts for the period ending 31 December 2013.

15. The Board is provided with sufficient and timely information by the Executive to enable it to discharge its duties. The structure of papers is being reviewed and the Executive Directors will be responsible for assuring their quality before submitting them to the CEO and the head of Corporate Governance. Details of

attendance at Board, ARC and NRC meetings are contained in the Directors' Report and at Annex A.

16. The Strategic Executive Team meets weekly to consider immediate operational issues, communications and recruitment proposals and meets monthly to provide strategic direction and transparent decision making across the College, ensuring it works collectively to achieve its objectives. (The executive governance is being reviewed, in Autumn 2014, as the Executive Directors and most senior managers are now in post.)

17. The Board and senior managers have been briefed fully regarding the implications of the College's dual status as a company and an Arm's Length Body. The College has a draft Protocol with the Home Office, meet regularly with Home Office Ministers and officials and have ready access to effective legal advice from the Department's Legal Advisors' Branch and independent lawyers.

Risk Management and Internal Controls

18. As Accounting Officer, I am the Risk Champion for the College. The lead responsibility for ensuring that appropriate mechanisms are in place for identifying, monitoring and controlling risk, and advising the Board on the actions needed in order to comply with our corporate governance requirements, rests with the Chief Operating Officer.

19. Risk Management is an integral part of the Corporate Governance process within the College and the Risk Policy and Framework was established in accordance with the principles contained within ISO31000 and Cabinet Office standards. It sets out the organisation's risk appetite and provides a consistent basis to capture, monitor and report risks and to progress mitigation. The College's overall risk appetite is 'risk averse'. This does not mean that we avoid opportunities to improve and innovate; it does mean that we are rightly cautious when challenges may hinder or put at risk our core business and service provision. Our systems and processes are designed to manage risk to a reasonable and appropriate level rather than to eliminate all risk and, therefore, provide reasonable, and not absolute, assurance of effectiveness.

20. In the period of this report, the Executive and the ARC commissioned CIPFA to facilitate a review of its corporate risk. This resulted four strategic risks being identified, (as set out in paragraph 22) that focused more sharply on what may "break the business". The resulting risk register set out in more detail than before the causes, consequences, controls and mitigating actions and now that the Executive Directors are in post, each owns a risk. This revised approach and senior ownership is enabling the Executive to manage the risks more effectively.

21. The Corporate risk register is reviewed at the monthly Performance and Delivery Group (PDG) and every ARC and Board meetings. Risk controls are built on good practice, corporate policies and available resources. The next priority, as the interim structure is completed in the Autumn 2014, will be to develop a transparent and robust assurance framework

Corporate risk and mitigating actions

22. The four corporate risks and the actions to mitigate them are set out below.

Risk 1 – Operational Independence and Identity

Risk: That the College fails to, or is perceived to fail to, operate sufficiently independently from Government and does not establish its distinct status as the professional body for policing.

Causes would include: the College's status as a company owned by the Home Secretary and an Arm's Length Body of the Home Office; the changing national policing landscape; competing interests across policing; failure to deliver on core commitments; Stakeholder Management is not effective; failure to develop a distinctive identity for College products.

Consequences would include: the College not having the operating flexibility to maximise income and opportunities and meet the needs of its members; the College is not recognised as a membership-based professional body with the buy-in of its members and partners; other policing organisations / competitors take the opportunities to deliver services and products.

Actions included: gaining significant powers through the Anti-Social Behaviour and Policing Act 2014 (listed in bullet form on page 18 of this report); the College's development, as the professional body for policing in England & Wales, of the Code of Ethics for policing; the College having an increasing profile in the media and at national events; using the responses from the public consultation on its Strategic Intent to inform the development of a five-year strategy, defining its aims and purpose; the re-structuring within the College that began to build its capability and culture.

Risk 2 – Financial Independence, Viability and Credibility

Risk: That the College fails to become a financially viable body, sufficiently independent from government grant-in-aid.

Causes would include: lack of a coherent commercial strategy; weaknesses in financial management; an ill-defined operating model; failure to define/maximise income streams and opportunities; ineffective controls and oversight; lack of commitment to the developing model; poor choice of commercial partners or advisors

Consequences would include: the College remaining dependent on grant-in-aid for over 50% of income and unable to apply for Chartered Status; Government, rather than the profession and the public, directing the College's priorities; not maximising income streams; products and services not meeting the needs of its members; not realising maximum benefit from commercial partnerships.

Actions included: building financial skills, capability and controls across the College; appointing an interim finance director while recruiting Executive Directors with the right skills and experience; the target operating model and developing strategy supporting greater independence from Government grant-

in- aid; developing options for the College estate that are value for money and the College's strategic direction.

Risk 3 – Inherited Risks and Capability

Risk: That the College is impacted negatively by risks inherited from the precursor organisation and does not have the strategic capability to operate effectively in new policing landscape. (The precursor organisation did not invest in its systems while closing down and the transition period meant that staff who transferred to the College had worked through an extended time of uncertainty and limited professional development and partners were not clear about the role and purpose of the College.)

Causes would include: the long period of change leading to change fatigue for staff and partners; lack of investment in infrastructure; limited staff development and variable commitment; inappropriate systems and processes; failure to understand and manage legacy risks

Consequences would include: lack of full capability to deliver change and new operating model; distraction from the College's priorities and delivery; lack of confidence in financial reporting and management with reputational risk; inappropriate SAP and IT systems damaging efficiency and effectiveness; ineffective management information processes;

Actions included: implementing a change programme that develops the right functions, structures, and operating model for a professional body; public consultation on the Strategic Intent and Code of Ethics; communications of the College's purpose, values and priorities; beginning the restructuring that will build the capacity and capabilities required; developing new infrastructure and systems for a forward looking professional body.

Risk 4 Strategic Direction

Risk: That the College does not set and follow a clear strategic direction, in line with its role, purpose and operating model.

Causes would include: ongoing change dilutes the impact of messages to members, partners and staff; lack of Executive Directors to add to leadership and confidence; governance structures that were established before the College developed its strategy; long-term strategy not sufficiently defined and communicated; sub-optimal prioritisation and co-ordination of work and assessment of interdependencies

Consequences would include: the College not achieving or communicating its strategic objectives effectively; not focusing resources efficiently or effectively on evidence-based priorities; business units within the College setting their own priorities; other policing bodies not championing the College; governance structures that are not wholly fit.

Actions included: the Strategic Intent and developing strategy inform annual and in-year business planning and prioritisation; good governance, especially

through the Board and Professional Committee to maintain focus on the strategic direction; staff engagement to embed the direction and culture

Policies and Audit

23. The College works in the public interest, has a clear set of values and is committed to the principles of transparency, ethics and integrity. Policies are under regular review as the College develops. The sharpest focus in this period has been on those policies that help to build and maintain the College's integrity as it aims, as the professional body, to set an example to the profession. These include: Business Interests; Gifts & Hospitality; Reporting Wrongdoing; External Complaints; and Travel & Expenses

24. The Home Office Internal Audit Unit (IAU) provides the College's internal audit function and is a key source of independent assurance. In this period, it provided an independent and objective internal audit service operating to Public Sector Internal Audit Standards. In July 2014, the Head of Internal Audit provided me, as Accounting Officer, and the Audit & Risk Committee with an objective opinion on the overall adequacy and effectiveness of the College's governance, risk management and control framework in 2013/14. The Assurance and Opinion rating was 'Moderate Assurance'. The Head of Internal Audit's opinion stated that: "As a new entity, the College's risk profile was high. The organisation has made progress to address identified weaknesses and omissions in the control, risk management and governance environment. This includes a review of the risk management framework and associated risk landscape. The organisation has also made efforts to improve its arrangements for financial management, although we, and management, recognise the need for further progress on this." The IAU has not conducted any new audits in the period. The College continues to take forward and embed the actions agreed from earlier audits. All actions and recommendations are collated and progress is monitored at the PDG and the ARC.

Performance Management

25. The College Board agreed the 2013/14 plan in June 2013 and it was published in September 2013, following the Home Secretary's approval. It set out the College's priorities for the year. Future plans will be in line with the Five-Year Strategy, defining the activity, year on year that will drive the realisation of the College's long-term aims.

26. Formal programme and project management methodologies and the College's governance structures underpin the performance framework. The Performance and Delivery Group (PDG), chaired by the Chief Operating Officer, leads on the management of corporate performance and senior managers are responsible for the performance of their teams, ensuring that all activity is in line with the agreed priorities and escalating issues as required. I was able to provide the Board with evidence of the College's delivery in relation to the commitments set out in its 2013/14 delivery plan.

27. The College has continued to achieve much in this challenging period and has also had to pause some planned work, when it did not have the right resources to deliver to the required standard. A major positive step was the development of the Code of Ethics, a core element of building the profession of policing. This became a code of practice, through the powers given to the College in the Anti-Social Behaviour and Policing Act 2014.

Financial Management

28. As part of the transfer of its learning and development function on 1 December 2012, the National Policing Improvement Agency (“NPIA”) transferred the related assets and liabilities, to the College for nil consideration. The College also inherited the financial systems and procedures used by the NPIA. Following external audit work carried out by the NAO between July and December 2013, the College continued, in this period, a detailed review of all the assets and liabilities transferred from the NPIA, and its financial management function.

29. The College strengthened its finance team with additional qualified and experienced staff on an interim basis, to provide strategic responsibility for finance and audit and to lead on the change finance programme. It was critical that the College improved in this area as it implemented financial systems and procedures that would support the new structures and way of working. (The appointment of the permanent Director of Corporate Services, in June 2014, was a major step in this core area of the business and he continues to improve the financial management systems and build a strong, professional, long-term team.)

30. The production of the annual budget is an iterative process, driven by the Business Planning and Finance teams, engaging all areas of the organisation with business units and policing partners to identify priorities and inform resource needs. During 2014/15, the College is ensuring alignment with the developing five-year strategy and the new organisational structures and supported the National Policing Business Areas to develop forward looking plans and priorities for the first time.

31. The College produces detailed financial management reports, including a report to the Board and a monthly return to the Home Office providing details of significant variances. Regular “stocktake” meetings are held between senior College finance staff and the HO sponsor unit. Financial management risks are identified and mitigating actions taken to manage them through the corporate risk register and internal audit log.

32. The College complies with Cabinet Office requirements for public sector bodies to procure common goods and services through the Government Procurement Service and the Managing Public Money guidance on procurement and value for money, including Public Procurement Regulations and Legislation.

33. The College manages its expenditure, staffing and purchasing controls through its Enterprise Resource Planning system. Delegations are in place that ensure authorisation and approvals in accordance with the Board’s requirements

and no individual can authorise any transaction in which they have an interest or from which they have benefited.

People Management

34. In this three month period, people management has been a significant priority and challenge. The definition of the new functions, priorities and structures of the College led to a need to review and revise the make-up of the College workforce to ensure it had the right skills, capability, competencies and commitment to succeed. The people and culture work stream within the Change Portfolio included preparing for a major redeployment and redundancy process that was carried out in accordance with Cabinet Office and Home Office guidance. This led to some staff preparing to leave the College or moving to different roles. In the related recruitment programme, all decisions relating to permanent and temporary resources have been approved by the Strategic Executive Team, in line with Cabinet Office guidance and subject to transparent, proportionate competitive processes. Post-employment checks, including security vetting, are in line with Cabinet Office guidance 'HMG Personnel Security Controls'.

35. This has been a difficult time for many colleagues and the College has provided support for both managers and staff, especially but not only those seeking redeployment or preparing for redundancy. As the new structure is now largely in place, with senior managers being able to provide leadership and stability, the College is developing a new induction approach for all staff to build a "One College" culture and a shared understanding and commitment to the strategic priorities. The Executive recognises the challenge and is working on a range of ways to engage established and new staff. The College's current reward initiatives are monitored to ensure fairness and equity and are under review, along with new pay and reward initiatives and systems. The College is developing a staff survey and will review its aim to continue IIP status, following the delivery of the new operating model.

36. HR data including sickness absence, disciplinary cases and grievances are monitored at the Performance & Delivery Group (PDG) meetings and reported to the Board.

Information Assurance and Security

37. IT and other communication and information systems are delivered in line with internal and external quality standards to meet the needs of the business. The College reviewed its protective security requirements during 2013/14 in relation to the Government Security Classification (GSC) in order to consider the implications and requirements for the IT Refresh. Training and Information Assurance awareness has been delivered in relation to the GSC.

38. The College completed the 2013/14 Home Office's version of the Information Assurance Model (IAMM) the One3M return, which is required for reporting on the College's Information Assurance and Information Management Maturity, and was assessed as being at Level Two, the same level as the Home Office. In addition, due to the Police Service Network (pnn) reporting requirements (which

is the the criminal justice network (cjsx) the College sits on), the College also completed the Protective Security and Risk Management Overview (ACPO) for 2013/14 using the Information Assurance Maturity Model and scored a level three. The College has already commenced its internal review of information assurance and systems in order to inform its returns for 2014/15.

39. In 2013/14, all Information Asset Owners (IAO) provided quarterly risk updates. For 2014/15, given the structural change to the College, the IAO register and Information Asset Register are being revised, reviewed and assessed as a major project, in tandem with all business continuity priority recovery records and plans

40. During the GSC switch-over, all IAOs were heavily involved in the assessment of the implications of the GSC. Monitoring has revealed significant buy-in although some learning and awareness follow-up training is required. All members of staff are required to complete on-line "protecting information" training annually at a level commensurate to their responsibilities. The College cannot currently use the Responsible for Information (RFI) Home Office package due to incompatibility problems; this is being worked through at present.

41. With the assistance of the Home Office and National Archives, specific training for IAOs was arranged with follow-up training via a commercial provider with more relevance to the 'policing' nature of the College's information.

42. The Departmental Security Officer (DSO) collates, acts on and coordinates investigations on all physical and information security breaches. There were no breaches in this period.

Programme and Project Management

43. Programmes and projects are linked into wider performance, risk management and decision making processes and the PMO provides regular programme highlight reporting to the PDG meeting, Chief Operating Officer and the Board, and escalates programme risks for inclusion in the Corporate Risk register as appropriate. In this period, the College has expanded its resources and expertise in this area and this is beginning show benefits in both delivery and reporting. The College has also now invested in "ExecView", an on-line platform that enables all in the College to review the progress of projects and programmes and supports standardised reporting.

Overall Statement of Assurance

44. Taking these findings and changes into account, together with consideration of the achievement of objectives, I can provide moderate assurance regarding the internal control system. The College is still a new company with many inherited processes, functions, roles and issues. I am confident that the work carried out in this period has enabled the College to improve its structure, processes, governance and control arrangements to build the future professional body, as well as continuing to deliver its products and services. The College has identified

its risks core, (as set out in paragraph 22) and it is taking action to bring them within risk appetite.

Signed:

Date: 17 December 2014

**Chief Constable, Alex Marshall
Chief Executive and Accounting Officer
College of Policing Limited**

7. The Certificate and Report of the Comptroller and Auditor General

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLLEGE OF POLICING LIMITED

I have audited the financial statements of College of Policing for the period ended 31 March 2014 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union.

Respective responsibilities of the directors, Accounting Officer and the auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the directors and Chief Executive (designated as Accounting Officer) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My 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 me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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. In addition I read all the financial and non-financial information in Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements confirm to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2014 and of the loss for the year then ended; and
- the financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by European Union; and
- the financial statements have been prepared in accordance with the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my staff; 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
- I have not received all of the information and explanations I require for my audit.

Matthew Kay (Senior Statutory Auditor)

Date

For and on behalf of the

Comptroller and Auditor General (Statutory Auditor)

National Audit Office

157-197 Buckingham Palace Road

London

SW1W 9SP

Financial statements for the period ended 31 March 2014

Statement of comprehensive income

for the 3 month period ended 31 March 2014

	Note	3 months ended 31 March 2014 £'000	restated* 15 months ended 31 December 2013 £'000
Income			
Income from activities	6	8,078	24,505
		8,078	24,505
Expenditure			
Staff costs	4	(11,002)	(43,756)
Running Costs	5	(9,724)	(35,448)
Other expenditure	5	(321)	(1,169)
		(21,047)	(80,373)
Loss before taxation		(12,969)	(55,868)
Taxation	7	-	-
Loss after taxation		(12,969)	(55,868)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net gain/(loss) on revaluation of PPE		-	2,548
Other comprehensive income / (expense)		-	2,548
Total comprehensive income / (expense) for the period		(12,969)	(53,320)

* See note 2

The accounting policies and notes on pages 45 to 74 form part of these accounts.

Statement of financial position

		31 March 2014 £'000	31 December 2013 £'000
	Note		
Non-current assets:			
Property, plant and equipment	8	20,853	18,564
Intangible assets	9	78	-
Total non-current assets		20,931	18,564
Current assets:			
Trade and other receivables	10	13,617	7,144
Cash and cash equivalents	11	3,315	8,723
Total current assets		16,932	15,867
Total assets		37,863	34,431
Current liabilities			
Trade and other payables	12	17,854	14,096
Provisions	13	1,747	1,704
Total current liabilities		19,601	15,800
Assets less liabilities		18,262	18,631
Reserves			
Revaluation reserve		2,548	2,548
General reserve		15,714	16,083
Total		18,262	18,631

The accounting policies and notes on pages 45 to 74 form part of these accounts.

These financial statements were approved by the board of directors on 17 December 2014, and were signed on its behalf by:

Chief Constable Alex Marshall
Chief Executive and Accounting Officer

Company registered number: 08235199

Statement of cash flows for period ended 31 March 2014

		3 months ended 31 March 2014 £'000	15 months ended 31 December 2013 £'000
Cash flows from operating activities	Note		
Loss after taxation		(12,969)	(55,868)
Adjustments for non-cash transactions:			
Depreciation	8	321	1,056
Impairment & Asset write Off		-	145
Provisions provided in Period	13	43	1,704
Contributions from equity participants		-	13,311
Transfer from NPIA non-current assets net of not recognised		-	(16,280)
(Increase)/Decrease in trade and other receivables	10	(6,473)	(7,144)
Increase/(Decrease) in trade payables	12	3,758	14,096
Net cash outflow from operating activities		(15,320)	(48,980)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(2,610)	(937)
Purchase of intangible assets	9	(78)	-
Net cash outflow from investing activities		(2,688)	(937)
Cash flows from financing activities			
Grants from parent department	17	12,600	58,640
Net Financing		12,600	58,640
Net increase/(decrease) in cash and cash equivalents in the period		(5,408)	8,723
Cash and cash equivalents at the beginning of the period	11	8,723	-
Cash and cash equivalents at the end of the period	11	3,315	8,723
Increase / (Decrease) in cash		(5,408)	8,723

The accounting policies and notes on pages 45 to 74 form part of these accounts.

Statement of changes in equity for the period ending 31 March 2014

	Note	Revaluation Reserve £'000	General Reserve £'000	Total Equity £'000
Balance at 1 October 2012		-	-	-
Contribution from equity participant	3	-	13,311	13,311
Net gain/(loss) on revaluation of property, plant and equipment		2,548	-	2,548
Loss after taxation		-	(55,868)	(55,868)
Grant from Home Office - Resource	17	-	57,703	57,703
- Capital	17	-	937	937
Balance at 31 December 2013		2,548	16,083	18,631
Loss after taxation		-	(12,969)	(12,969)
Grant from Home Office - Resource	17	-	12,600	12,600
- Capital		-	-	-
Balance at 31 March 2014		2,548	15,714	18,262

The accounting policies and notes on pages 45 to 74 form part of these accounts

Notes to the Statement of Accounts

1. Accounting policies

College of Policing Limited (the "College") is a company limited by guarantee incorporated and domiciled in the UK.

These financial statements have been prepared in accordance with applicable International Financial Reporting Standards as adopted by the European Union ("IFRS") and the Companies Act 2006 applicable to companies reporting under IFRS and the 2013-14 Government Financial Reporting Manual ("FReM") issued by HM Treasury as adapted or interpreted for the public sector context to the extent the FReM is consistent with the requirements of the Companies Act 2006. Where there is a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the College for the purpose of giving a true and fair view has been selected. The particular policies adopted by the College are described below. They have been applied consistently to items that are considered material to the accounts.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 20.

a) Going concern

The directors have a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. The basis of this is continued ongoing support from the Home Office. Therefore we have adopted the going concern basis of accounting in preparing these financial statements.

The going concern basis of preparation is discussed in more detail in the Strategic Report.

b) Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, trade and other payables and cash and cash equivalents.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

c) Grants and Grant-in-Aid

The College of Policing receives the majority of its funding by way of Grant-in-Aid from the Home Office, from a top slice of the total funds available for policing including grants to policing. The grants received are used to finance expenditure that supports the objectives of the College. These grants are treated as a capital contribution and credited to the General Reserve because they are regarded as contributions from a controlling party. Other grants such as European Union Grants are received from time to time; these are recorded within Income.

d) Revenue

The College of Policing recognises income, net of VAT, on an accruals basis at the transaction amount or the amount which the customer is committed to pay. Where fees have been invoiced and the service has not been completed by the year end, fees are treated as deferred income. The amount deferred is calculated by reference to the proportion of work undertaken at the end of the year relative to the expected time to complete the work, and is released to the Statement of comprehensive income as the work is completed. Where fees have not been invoiced but the service has been provided or partly provided by the year end, fees will be included as accrued income. The amount held in accrued income is calculated in reference to the proportion of work undertaken at the year end and not invoiced.

e) Property, plant and equipment

Assets that have physical substance and are held for use in the supply of goods and services, or for administrative purposes, and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment. Expenditure, of £5,000 and above, on the acquisition, creation or enhancement of Property, Plant and Machinery is capitalised on the accruals basis, provided it is probable that the future economic benefits or service potential associated with the item will flow to the College and the cost of the item can be reliably measured.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Land and buildings

Land and buildings are initially recognised at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Buildings are subsequently carried at the revalued amounts less accumulated depreciation and accumulated impairment losses.

Land and buildings are revalued by independent professional valuers at least every 5 years. In the intervening years, land and buildings are revalued by the use of published indices appropriate to the type of land or building. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset. Land and buildings are not revalued in either the year of addition or disposal. College buildings are viewed as not being specialised assets and are valued at market value rather than depreciated replacement cost.

Increases in carrying amounts arising from revaluation are recognised in other comprehensive income and accumulated in equity under the heading revaluation surplus, unless they offset previous decreases in the carrying amounts of the same asset which had been recognised in profit or loss, in which case, they are recognised in profit or loss. Decreases in carrying amounts that offset previous increases of the same asset are recognised in other comprehensive income to the extent of any credit balance exceeding the revaluation surplus in respect of that asset. All other decreases in carrying amounts are recognised in profit or loss.

Non Property assets

All other items of property, plant and equipment are initially recognised at cost, which comprises the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended for management. Subsequently carrying value is recognised at cost less accumulated depreciation and accumulated impairment losses.

Depreciation

Land and assets under construction are not depreciated.

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings	5 to 50 Years
Plant and machinery	5 Years
Computer hardware	3 to 7 Years

Furniture and Fittings	5 to 10 Years
Transport Equipment	5 to 7 Years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the statement of comprehensive income when the changes arise.

f) Intangibles

Intangible assets are non-monetary assets without physical substance which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to the College and where the cost of the asset can be measured reliably.

Development costs with a reasonable expectation of commercial exploitation are capitalised as intangible provided all of the following have been demonstrated:

- The technical feasibility of developing the product so that it will be available for use;
- The intention to complete the intangible asset and use it;
- The ability to sell or use the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally generated intangible asset can be recognised, the expenditure is charged in the period in which it is incurred.

Subsequent to initial recognition the carrying value is recognised at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of the intangible. The estimated useful life is as follows:

Software	3 to 7 Years
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Intangible assets under construction are not amortised.

g) Assets under construction

Assets under construction ("AUC") include any property, plant and equipment or intangibles that are under construction at the balance sheet date. When completed, AUC are reclassified into the appropriate non-current asset category and depreciated from the date on which they are brought into service.

h) Impairments

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of the asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Non-Financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Where the loss is determined for a previously revalued asset, it is written off against any revaluation gains held for the relevant asset in the Revaluation Reserve, with any excess charged to the Statement of comprehensive income. Where an impairment loss is reversed subsequently, the reversal is credited to the relevant expenditure line(s) in the Statement of comprehensive income, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

i) Operating leases

Payments made under operating leases are recognised in the Statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of comprehensive income as an integral part of the total lease expense.

j) Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of comprehensive income.

Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

k) Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. Where considered material, the cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Pensions

The College's employees are members of the Civil Service pension arrangements which is an unfunded multi-employer defined benefit scheme. The College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by IAS 19, accounts for the scheme as if it were a defined contribution scheme. The scheme actuary revalues the scheme centrally and reassesses contributions every four years. Further detail is available in the civil superannuation accounts prepared by the Cabinet Office.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the College to terminate employment before the normal retirement date, or a decision by an employee to accept voluntary redundancy. Amounts payable are charged on an accruals basis to the staff cost line in the Statement of comprehensive income when the College is demonstrably committed to the termination of the employment of an employee, or group of employees; or when an employee accepts an offer of voluntary redundancy. Redundancy costs will be provided for when the College has a present obligation, it is probable that there will be an outflow of resource and this outflow can be measured reliably.

l) Reserves

Reserves constitute the following:

Revaluation Reserve, the upward revaluation amounts relate to property and any future valuations of plant and equipment.

General Reserve, balances accumulated by the usual operation of the business and grants-in-aid received from the Home Office.

m) Provisions

A provision is recognised in the Statement of financial position when the College has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability, if the effect of discounting is material.

Provisions are charged as an expense to the appropriate expenditure line in the Statement of comprehensive income in the year that the College becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position. Estimated settlements are reviewed at the end of each financial year – where it becomes less probable that a transfer of economic benefits will not be required (or a lower settlement that anticipated is made), the provision is reversed and credited back to the relevant service.

n) Contingent Liability

A contingent liability arises where an event has taken place that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured. Contingent liabilities are not recognised in the Statement of financial position but disclosed in a note to the accounts.

o) Contingent Asset

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets are not recognised in the Statement of financial position but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits

p) Taxation

The College of Policing has registered for Corporation Tax, which is payable to the extent that property and interest income plus the grant-in-aid surplus over non-trading costs exceeds trading losses. All bank interest is remitted to the Consolidated Fund for Extra Receipts, but is also taxed as trading income.

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

q) Value Added Tax (VAT)

Vocational training and examination services provided by the College of Policing are exempt from VAT. Other services, funded by the Home Office from the Police Grant, are provided to forces on an agency basis and VAT is recovered from the forces. Expenditure in these statements is shown inclusive of VAT, to the extent that College of Policing is not currently able to reclaim input VAT, in line with its exempt and non-business status.

r) Financing income and expenses

Financing expenses comprise interest payable, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the Statement of comprehensive income (see foreign currency accounting policy). Financing income comprises net foreign exchange gains.

Foreign currency gains and losses are reported on a net basis.

s) Accounting Standards adopted in the period

The College has adopted the following amendments and interpretations which do not have had a material impact on the financial statements:

- Amendments to IFRS 7 'Financial Instruments': Disclosures
- IFRS 13 'Fair Value Measurement'
- Amendments to IAS 27 'Consolidated and Separate Financial Statements'
- Amendments to IAS 28 'Investment in Associates and Joint Ventures'
- IAS 36 'Recoverable amount disclosures for Non-financial assets'
- IFRS 10 'Consolidated Financial Statements'
- IFRS 11 'Joint Arrangements'
- IFRS 12 'Disclosures of Interest in other Entities'
- Amendment to IAS 32 'Offsetting Financial Assets and Financial Liabilities'

t) New IFRS and amendments to IAS and interpretations

There are a number of standards and interpretations issued by the International Accounting Standards Board that are effective for financial statements after this reporting period that have been endorsed by the European Union. The following have not been adopted early by the College. Their adaption is not expected to have a material impact on the financial statements;

- IFRIC 21: Levies (mandatory for years commencing on or after 17 June 2014)

2. Prior Period Restatement

The previous period comparatives have been restated to reflect the correction of a presentation error between cost categories in the period ended 31 December 2013 accounts. In the previous period 'research and development' costs of £1,492,000 were deemed to have been incurred and were shown as a separate line item within 'other expenditure'. The College management are now of the view that the activities undertaken were not of a purely research and development nature and it was therefore incorrect to disclose any research and development costs separately. The accounts have been restated to reflect not having a separate research and development cost line with the costs previously reflected as research and development now correctly analysed to the appropriate cost category. The correction between cost categories has had no effect on the previous periods reported Total Comprehensive Income/(Expense), or on the opening balances of assets, liabilities and equity in the current period.

3. Prior Period Transfer of NPIA's business & the related assets & liabilities

The College became operational on 1 December 2012, with the transfer of responsibilities and resources from the NPIA. The business, assets and liabilities were transferred to the College during the period to 31 December 2013 for no consideration. A summary of the assets and liabilities transferred to the College is presented below.

The College has only recognised in its financial statements those non-current assets transferred from the NPIA for which there is future economic benefit to the College. The assets and liabilities are measured at the lower of the carrying value at the transfer date in NPIA's accounts and the recoverable amount the College is expected to derive from the assets. The transfer from NPIA's assets and liabilities are shown within the Statement of Changes in Equity as they are regarded as contributions from a controlling party.

Management judgement on the transfer of NPIA's business and related assets and liabilities has remained unchanged in this subsequent accounting period. No adjustments have been made to the non-current assets that were transferred from NPIA for which the College deemed there was future economic benefit.

	Values on date of transfer £'000	Recognised values on date of transfer £'000	Not recognised values on date of transfer £'000
NPIA's net assets at the transfer date:			
Property, plant and equipment	25,584	16,280	9,304
Intangible assets	7,135	-	7,135
Trade and other receivables	6,701	6,701	-
Cash and cash equivalents	2	2	-
Trade and other payables	(9,602)	(9,602)	-
Provision	(70)	(70)	-
Net assets and liabilities	29,750	13,311	16,439

4. Staff numbers and related running costs

The directors' remuneration is stated in the remuneration report.

The majority of College of Policing employees are members of the Civil Service pension arrangements, which are multi-employer defined benefit schemes. Since the College is unable to identify its share of the underlying assets and liabilities, these are not included in the College's accounts and contributions are recognised as expenditure as incurred. Contributions to Civil Service pension schemes for the period totalled £812k (period to 31 December 2013: £3,480k). Further details on Civil Service pensions can be found in the Civil Service: Superannuation accounts on the gov.uk website. All police officers are seconded, and their seconding force remains responsible for their pension benefits. Full details of pension schemes are shown in the remuneration report. The seconding force is also responsible for staff leave, and so they do not feature in College of Policing's staff leave accrual.

Staff costs comprise:	3 months ended 31 March 2014				restated*
	Permanent	Secondees	Temporary / Casual	Total	15 months ended 31 December 2013 Total
	£'000	£'000	£'000	£'000	£'000
Wages and salaries	3,830	3,424	2,604	9,858	38,977
Social security costs	385	-	-	385	1,612
Other pension costs	834	-	-	834	3,563
Subtotal	5,049	3,424	2,604	11,077	44,152
Less recoveries in respect of outward secondments	(75)	-	-	(75)	(396)
Total net costs	4,974	3,424	2,604	11,002	43,756

* See note 2

Average number of persons employed

The average number of persons employed by the College during the period was as follows:

	3 months ended 31 March 2014			15 months ended 31 December 2013
	Permanent staff	Others	Total	Total
Directly Employed	533	-	533	533
Seconded in	-	185	185	162
Temporary/Casual	-	61	61	19
Total	533	246	779	714

Reporting of Civil Service and other compensation schemes – exit packages

Exit package cost band	3 months ended 31 March 2014			15 months ended 31 December 2013
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total number of exit packages by cost band
2012/13				
<£10,000	-	-	-	-
£10,000 - £25,000	-	-	-	-
£25,000 - £50,000	-	2	2	-
£50,000 - £100,000	-	1	1	1
£100,000 - £150,000	-	-	-	-
£150,000 - £200,000	-	1	1	-
£200,000 - £250,000	-	-	-	-
£250,000 and over	-	-	-	-
Total number of exit packages	-	4	4	1
Total cost of exit packages (£'000)	-	289	289	64

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made



under the Superannuation Act 1972. Exit costs, including the future cash costs for early retirements, are accounted for in full in the year of departure.

Where the College of Policing has agreed early retirements, the costs additional to those of the retirees taking their pension at the usual retirement date are met by the College of Policing and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Any amounts paid in lieu of contracted notice periods are not included in the table.

5. Running Costs and Other Expenditure

		3 months ended 31 March 2014 £'000	restated* 15 months ended 31 December 2013 £'000
	Note		
Running Costs			
Accommodation costs (including light & heat)		492	1,834
Audit Fees		78	114
Consultancy**		288	465
Estates Costs		2,903	13,610
General Running Costs***		752	1,219
Information Technology costs		1,550	3,109
IT Managed Services		470	2,609
Professional Fees		196	1,698
Professional programme & Technical Services		27	76
Staff & Customer Training		674	2,935
Telecommunications		42	176
Travel/Vehicles costs		933	4,020
Relocation	13	12	1,704
Rentals under operating leases		29	1,164
Grants given****		1,507	1,556
Non-cash expenditure:			
Bad and Doubtful Debts		(229)	(841)
Running Costs		9,724	35,448
Depreciation	8	321	1,056
Loss / (profit) on disposal of asset		-	(32)
Impairment & write offs		-	145
Other Expenditure		321	1,169
Total		10,045	36,617

* See note 2

** Consultancy consists of ad hoc advisory services provided to management and excludes outsourced ICT and professional services which support the College of Policing's usual business.

*** General Running Costs includes hospitality, stationery and photocopying charges, miscellaneous expenses, recruitment fees, publication costs, conference costs, payroll services and various smaller cost lines.

**** Grants given are amounts granted to Police for Radio Frequency Project Equipment, What Works Programme, the Innovation and Capacity Building Fund and a Cambridge Post Graduate Diploma in Criminology.

The analysis of external auditor remuneration is disclosed in the Directors' Report.

6. Income

	3 months ended 31 March 2014 £'000	15 months ended 31 December 2013 £'000
Income Source		
<u>Income and Funding</u>		
Funding from The Office for Security and Counter Terrorism	2,545	7,706
Trading Income (Training, Delivery, Assessment, Exams)	5,380	15,820
Other	153	979
Total Income and Funding	8,078	24,505
Interest Received	5	16
Interest to be paid to Consolidated Fund for Extra Receipts	(5)	(16)
Total Income	8,078	24,505

7. Tax

Income tax expense

Analysis of Charge for the period
Tax charge in the income statement

	3 months ended 31 March 2014 £'000	15 months ended 31 December 2013 £'000
Current tax charge	-	-
Deferred tax charge	-	-
Total tax charge	-	-

7. Tax continued

The income tax expense for the period can be reconciled to the accounting profit as follows:

	3 months ended 31 March 2014	15 months ended 31 December 2013
	£'000	£'000
Loss before tax	(12,969)	(55,868)
Income Tax on qualifying Trading Loss of £10,136k	(2,331)	(13,021)
Non-taxable income	-	(1,009)
Non-deductible expenses	321	10,405
Tax losses carried forward to future periods	2,010	3,625
Total tax charge	<u>-</u>	<u>-</u>

The tax rate used for the 2014 reconciliation above is the corporate tax rate of 23% (2013: 23.31%) applicable in the United Kingdom on the taxable profits for this period under tax law in that jurisdiction.

Deferred Tax

Deferred tax has not been recognised as Capital Expenditure by the College is funded by Government Grant.

8. Property, plant and equipment

	Land	Buildings	Transport Equipment	Plant & Machinery	Information Technology	Furniture & Fittings	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 October 2012								
Assets transferred from NPIA	713	27,438	2,428	6,755	10,003	211	3,876	51,424
Non recognised assets on transfer	-	(53)	(988)	(6,504)	(9,721)	(196)	(3,876)	(21,338)
At 1 December 2012	713	27,385	1,440	251	282	15	-	30,086
Additions	-	-	83	176	-	-	678	937
Revaluations	160	5,261	-	-	-	-	-	5,421
At 31 December 2013	873	32,646	1,523	427	282	15	678	36,444
Reclassification	-	-	-	(142)	-	-	142	-
Additions	-	-	77	-	78	84	2,371	2,610
At 31 March 2014	873	32,646	1,600	285	360	99	3,191	39,054
Depreciation								
At 1 October 2012								
Depreciation transferred from NPIA	-	12,727	1,771	4,246	8,239	117	-	27,100
Non recognised depreciation on transfer	-	(22)	(861)	(4,184)	(8,118)	(109)	-	(13,294)
At 1 December 2012	-	12,705	910	62	121	8	-	13,806
Charge in the period	-	662	272	55	61	6	-	1,056
Revaluation	-	3,018	-	-	-	-	-	3,018
At 31 December 2013	-	16,385	1,182	117	182	14	-	17,880
Charge in the period	-	227	64	15	14	1	-	321
At 31 March 2014	-	16,612	1,246	132	196	15	-	18,201

8. Property, plant and equipment continued

	Land	Buildings	Transport Equipment	Plant & Machinery	Information Technology	Furniture & Fittings	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net book value at 1 December 2012	713	14,680	530	189	161	7	-	16,280
Net book value at 31 December 2013	873	16,261	341	310	100	1	678	18,564
Net book value at 31 March 2014	873	16,034	354	153	164	84	3,191	20,853
Asset financing:								
Owned	873	16,034	354	153	164	84	3,191	20,853
Net book value at 31 March 2014	873	16,034	354	153	164	84	3,191	20,853

*The reclassification of £142k relates to the correction of a presentational error. The brought forward Assets Under Construction balance as at 31st December 2013 was understated by £142k with a equal and opposite overstatement of Plant and Machinery.

Land and buildings valuations were undertaken on 30 September 2013 in accordance with the provision of the Royal Institution of Chartered Surveyors Valuation Standards by DTZ (Joint Venture of Debenham Tewson and Chinnocks, Jean Thouard of France and Zadel hoff group), a UGL (United Group Limited) company, and who are appropriately qualified valuers for the purpose of the RICS (Royal Institute of Chartered Surveyors) Valuation Standards. All sites were valued at market value in accordance with International Accounting Standard 16. The net revaluation for the land and buildings was £2,403k, the Ryton site had an upward valuation of £2,548k, which has been charged to the revaluation reserve, with Harperley Hall having impairment on revaluation of £145k. This impairment on revaluation was therefore charged to the operating loss in the Statement of Comprehensive Income in the financial statements for the 15 months to 31 December 2013. The directors have considered the valuation movement in the intervening period since the valuation took place by reference to similar land and buildings and consider the current valuation as an accurate reflection of the open market value of the two sites.

The College has two freehold sites at Ryton and Harperley Hall. In addition it occupied sites owned by the Home Office in Bramshill and Harrogate, and leased premises in Riverside House (London) and Wyboston.

Comparable historical cost for the land and buildings included at valuation:

	Land £'000	Buildings £'000	Total £'000
Cost or valuation			
At 1 January 2014	713	27,385	28,098
Additions	-	-	-
At 31 March 2014	713	27,385	28,098
Depreciation			
At 1 January 2014	-	13,343	13,343
Charge in the period	-	148	148
At 31 March 2014	-	13,491	13,491
Net book value at 1 January 2014	713	14,042	14,755
Net book value at 31 March 2014	713	13,894	14,607
Asset financing:			
Owned	713	13,894	14,607
Net book value at 31 March 2014	713	13,894	14,607

9. Intangibles

	Intangibles AUC £'000
Cost or valuation	
At 1 October 2012	-
Assets transferred from NPIA	-
Non recognised assets on transfer	-
At 1 December 2012	-
Additions	-
At 31 December 2013	-
Additions	78
At 31 March 2014	78
Amortisation	
At 1 October 2012	-
Amortisation transferred from NPIA	-
Non recognised amortisation on transfer	-
At 1 December 2012	-
Charge in the period	-
At 31 December 2013	-
Charge in the period	-
At 31 March 2014	-
Net book value at 1 December 2012	-
Net book value at 31 December 2013	-
Net book value at 31 March 2014	78

No intangible assets were capitalised in the College's first accounting period of the 15 months to 31 December 2013.

10. Trade and other receivables

	31 March 2014 £'000	31 December 2013 £'000
Amounts falling due within one year:		
Trade receivables	4,685	3,819
Less: Impairment for trade receivables	(2)	(231)
Deposits and advances	15	28
VAT	537	-
Accrued Charges	7,376	2,974
Prepayments	1,006	554
	13,617	7,144
Included within receivables falling due within one year are the following intra-Governmental balances:		
Balances with other central government bodies	7,896	2,934
Balances with police and local authorities	1,631	1,048
Balances with NHS Trusts	-	12
Balances with public corporations & trading funds	2	232
Total intra-government	9,529	4,226
Balances with bodies external to government	4,088	2,918
	13,617	7,144

11. Cash and cash equivalents

	31 March 2014 £'000	31 December 2013 £'000
Balance brought forward	8,723	-
Net change in cash and cash equivalent balances	(5,408)	8,723
Balance carried forward	3,315	8,723
The following balances at 31 March 2014 were held at:		
Commercial banks and cash in hand	3,315	8,723
Short term investments	-	-
Balance at 31 March 2014	3,315	8,723

12. Trade and other payables

	31 March 2014 £'000	31 December 2013 £'000
Amounts falling due within one year		
VAT	-	169
Other taxation and social security	1,009	959
Trade and other payables	633	622
Accruals and deferred Income	15,786	11,934
Staff Leave Accrual	426	396
Amounts owed to Consolidated Fund	-	16
	17,854	14,096
Included within payables falling due within one year are the following intra-Governmental balances:		
	£'000	£'000
Balances with other central government bodies	5,314	6,425
Balances with police and local authorities	2,917	2,925
Balances with NHS Trusts	8	12
Balances with public corporations and trading funds	18	375
Total intra-government	8,257	9,737
Balances with bodies external to government	9,597	4,359
	17,854	14,096

13. Provisions for liabilities and charges

	Provision for Relocation costs £'000	Provision for Redundancy £'000	Total £'000
Balance at 1 October 2012			
Transferred from NPIA	-	70	70
Provided in the period	1,704	-	1,704
Provisions reclassified to accruals	-	(70)	(70)
Balance at 31 December 2013	1,704	-	1,704
Provided in the period	12	31	43
Provisions utilised in the period	-	-	-
Balance at 31 March 2014	1,716	31	1,747

13. Provisions for liabilities and charges continued

Analysis of expected timing of flows

	31 March 2014			31 December 2013
	Provision for Relocation costs	Provision for Redundancy	Total	Total
	£'000	£'000	£'000	£'000
Not later than one year	1,716	31	1,747	1,704
Current liability	1,716	31	1,747	1,704
Later than one year and not later than five years	-	-	-	-
Thereafter	-	-	-	-
Non-current liability	-	-	-	-

Provision for relocation costs

At 31 March 2014 the College remained committed as part of a restructuring plan to relocate premises in Harrogate, Bramshill and Wyboston. The provision is recognised at the best estimate of the minimum obligation to relocate the facilities. The provisions have taken account of the short term discount rate of - 1.9% detailed in the Public Expenditure System (PES) 2013 release for general provisions.

The provision for the relocation from the Harrogate site is £366,000 (Dec 13: £346,000). The current assumption is that the relocation will occur shortly after the 30 June 2014 when the current leases expire. The provision is based on a headcount and business space used at the existing office in Harrogate taking into account expected business efficiencies.

The provision for relocation from the site at Bramshill is £950,000 (Dec 13: £955,000). The College currently has a 12 month lease on selected buildings which expires on 28 March 2015. The provision is calculated based on moving staff to a Southern Hub and moving the National Police Library to a site within the M4/M3 corridor.

The provision for relocation from the site at Wyboston is £400,000 (Dec 13: £403,000). The College has a lease on existing office space in Wyboston, but has been instructed by Government Property Unit (GPU) that these must be vacated by 1 April 2015. The provision is based upon staff moving to new premises close to existing offices.

Provision for Redundancy

At the 31 March 2014 as part of the College's internal restructuring process it was necessary to continue the redundancy programme due to budget reductions. Individual employee decisions in relation to their pension arrangements and related costs do not have to be finalised until their leave date and as such there is uncertainty regarding the final financial outlay for the College before this decision is made. Management have used their judgement to estimate the financial outlay the College will face to settle this obligation.

14. *Capital commitments*

The outstanding commitments at 31 March 2014 in respect of contracted capital expenditure not provided for amounted approximately to £382k [31 December 2013 – £Nil].

15. *Commitments under operating leases*

The college has leased the Riverside House site until July 2022. The lease agreement has a clause for revision of rent from July 2017. The disclosures below for annual obligations under operating leases include the period to 2017 due to uncertainty in the rent to be decided post July 2017.

	31 March 2014 £'000	31 December 2013 £'000
Obligations under operating leases due to expire within the relevant period comprise:		
Not later than one year	184	268
Later than one year and not later than five years	496	549
Later than five years	-	-
Total	680	817

16. *Contingent assets and liabilities disclosed under IAS37*

Contingent assets

There were no material contingent assets at 31 March 2014 that meet the definition under IAS 37 that would need to be disclosed. [31 December 2013 – £Nil].

Contingent liabilities

At 31 March 2014, the College of Policing had no material contingent liabilities within the meaning of IAS37 [31 December 2013 – Nil].

17. Related party transactions

The Home Office is regarded as a related party of the company. During the period the Company has had a significant number of material transactions with the Home Office, and with other entities for which the Home Office is regarded as the parent entity.

The College of Policing is a limited company financed primarily by grant-in-aid from the Home Office. Home Office grant-in-aid has been recognised in the general reserve.

The Home Office sponsors other bodies. These bodies are regarded as related parties with which the College of Policing has had various material transactions during the period. The College of Policing considers the police forces and police and crime commissioners in England and Wales to be related parties because senior police officers and police and crime commissioners were nominated by ACPO (Association of Chief Police Officers) and APCC (Association of Police Crime Commissioners) respectively to serve on the College of Policing Board. In addition, the College of Policing has had a number of transactions with other government departments and other central government bodies.

Below are all significant transactions entered with related parties:

Name of related party	Nature of Transaction	3 months ended 31 March 2014 (£'000)		15 months ended 31 December 2013 (£'000)	
		Transactions	Outstanding	Transactions	Outstanding
Home Office	Expenditure - Rent and facilities charge	(2,623)	(138)	(16,220)	(138)
Home Office	Expenditure - IT facilities	(2,109)	-	(2,100)	-
Skills for Justice	Expenditure - subscriptions	(245)	-	-	-
Home Office	Grant In Aid	12,600	-	58,640	-
Mayors Office for Policing & Crime	Revenue	920	824	576	147
Home Office	Revenue	397	170	688	196
National Crime Agency	Revenue	293	38	108	37

17. Related party transactions continued.

Name of related party	Nature of Transaction	3 months ended 31 March 2014 (£'000)		15 months ended 31 December 2013 (£'000)	
		Transactions	Outstanding	Transactions	Outstanding
British Transport Police	Revenue	150	109	215	24
Thames Valley Police & Crime Commission	Revenue	106	70	-	-
Merseyside Police & Crime Commission	Revenue	96	31	-	-
West Midlands Police & Crime Commission	Revenue	90	32	-	-
West Yorkshire Police & Crime Commission	Revenue	80	9	-	-
Scottish Police Authority	Revenue	79	8	126	1
Nottingham Police & Crime Commission	Revenue	50	26	78	22
Avon & Somerset Police & Crime Commission	Revenue	32	14	79	11
North Wales Police & Crime Commission	Revenue	27	11	108	38
Skills for Justice	Revenue	15	82	75	60

The College also has staff seconded from police forces. The total secondees staff costs are disclosed in Note 4.

18. Financial Instruments

The book and fair value of The College's financial instruments are as follows:

31 March 2014	Amortised Cost		Total Book Value £'000	Fair Value £'000
	£'000	£'000		
Financial assets				
Cash	3,315	-	3,315	3,315
Trade and Other receivables	13,617	-	13,617	13,617
Financial liabilities				
Trade and other payables	-	(17,854)	(17,854)	(17,854)
Net Assets	16,932	(17,854)	(922)	(922)

31 December 2013	Amortised Cost		Total Book Value £'000	Fair Value £'000
	£'000	£'000		
Financial assets				
Cash	8,723	-	8,723	8,723
Trade and Other receivables	7,144	-	7,144	7,144
Financial liabilities				
Trade and other payables	-	(14,096)	(14,096)	(14,096)
Net Assets	15,867	(14,096)	1,771	1,771

a. Liquidity risk

The College receives funding from the Home Office. There are no requirements to maintain commercial borrowing facilities and therefore the College is not exposed to liquidity risks. The Home Office's resource requirements are noted annually by Parliament.

Credit quality of financial assets, financial liabilities and impairment losses

The aging of trade receivables at the balance sheet date was:

18. Financial Instruments Continued

	Gross 31 March 2014 £'000	Impairment £'000	Gross 31 December 2013 £'000	Impairment £'000
Not past due	2,150	-	1,291	-
Past due 0-30 days	624	-	453	58
Past due 31-120 days	812	-	539	16
More than 120 days	1,099	2	1,536	157
Total	4,685	2	3,819	231

The aging of the trade payables at the balance sheet date was:

	31 March 2014 £'000	31 December 2013 £'000
Not past due	477	149
Past due 0-30 days	60	203
Past due 31-120 days	11	119
More than 120 days	152	151
Total	700	622

b. Market risk

Interest Rate Risk

The financial assets held by the College are trade and other receivables (note 10) and cash and cash equivalents (note 11). The assets are not subject to interest rate risk.

The financial liabilities held by the College are trade and other payables (note 12). These liabilities are not subject to interest rate risk.

Currency Risk

The College's transactions are primarily undertaken in sterling and therefore it has limited exposure to foreign exchange risk. There were no significant balances in foreign currencies at the period end.

c. Credit risk

The College is subject to some credit risk. The carrying amount of receivables, which is recognised net of impairment losses, represents the College's maximum exposure to credit risk. Receivables are impaired where there is sufficient knowledge to indicate that recovery is improbable (for example, when an entity has entered administration). Receivables are written off when all means of recovery have been exhausted and the debt cannot be recovered.

19. Statement of Losses and Special Payments

At 31 March 2014 the College had £Nil qualifying losses or special payments that warrant disclosure (31 December 2013 - £463,874).

20. Accounting estimates and judgements

The financial statements and notes contain some estimated figures that are based on assumptions made by the College about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However because all accounting balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

There are a number of areas in the accounts that are subject to the use of estimates and judgements about the future that have a material effect on the accounts. Accounting entries for non-current assets valuations are externally assessed by suitably qualified professional organisations. Other areas such as non-current asset accounting treatments and accruals and prepayments of income and expenditure are subject to estimates and judgements made internally by the College's professionally qualified accountants.

A critical judgement made for the December 2013 financial statements was the non-recognition of non-current assets transferred from the NPIA on 1 December 2012 where the management judgement was that there was no future economic benefit to the College. This judgement was made at a point in time when the College was preparing its previous set of financial statements. Subsequent to this, the management have not been made aware of any further information that calls this judgement into question.

Areas of significant risk of material adjustment include provisions for relocation costs of £1,716,000 and redundancies of £31,000.

21. Ultimate controlling party

The ultimate controlling party of the Company is the Secretary of State for the Home Office.

22. Events after the reporting period

Since the end of the financial period the College has signed an agreement with two IT companies to develop a new membership database which has committed the College to spend a value of approximately £1,450k.

No other significant events have taken place since the period end that have not been accounted for within the financial statements that require further disclosure.

Annex A – College Committee Attendance

Audit & Risk Committee

Meeting Date	26/02/14
Member	ARC
Sir Denis O'Connor (Chair)	✓
Sir Hugh Orde	✓
Bob Jones	✓

All ARCs were quorate

Nominations & Remuneration Committee

Meeting Date	29/01/14	27/03/14
Member	NRC	NRC
Millie Banerjee (Chair)	✓	✓
Irene Curtis	X	✓
Sir Peter Fahy	X	✓
Julia Lawrence	✓	✓
Prof. Lawrence Sherman	✓	✓

All Nomination & Remuneration Committees were quorate.

Annex B - Register of Members Interest – period to 31 March 2014

Millie Banerjee CBE

- Member – College of Policing Board
- Chair – Working Links (Government Contracts)
- Chair – British Transport Police

Ann Barnes

- Member – College of Policing Board
- Police & Crime Commissioner, Kent

Katy Bourne

- Member – College of Policing Board
- Police & Crime Commissioner, Sussex

Louise Casey CB

- Member – College of Policing Board
- Director General – Department of Communities and Local Government

Irene Curtis

- Member – College of Policing Board
- President – Police Superintendents' Association of England and Wales (PSAEW)

Sir Peter Fahy QPM

- Member – College of Policing Board
- Chief Constable, Greater Manchester Police

Bob Jones CBE

- Member – College of Policing Board
- Police and Crime Commissioner, West Midlands

Julia Lawrence

- Member – College of Policing Board
- Police Federation of E&W, Sergeants' Central Committee

Alex Marshall QPM

- Member – College of Policing Board
- CEO College of Policing

Sir Denis O'Connor CBE, QPM

- Member – College of Policing Board
- Supervisor on Diploma/Master of Studies course and Radzinowicz Fellow – University of Cambridge, Institute of Criminology
- Chair of events (Policing and Security Matters) – City Forum
- Member of Advisory Board – Community Alcohol Partnerships
- Consultant to Advisory Board – Cresta Advisory
- Member of Committee – Independent Review of Police Federation, supported by RSA
- Trustee – Migraine Trust
- Police Adviser – Ministry of Defence
- President – Police Mutual

Sir Hugh Orde OBE, QPM

- Member – College of Policing Board
- President – Association of Chief Police Officers (ACPO)

Professor Dame Shirley Pearce CBE

- Chair – College of Policing Board
- Non-Executive Director – Higher Education Funding Council for England (HEFCE)
- Non-Executive Director – Health Education England (HEE)
- Trustee – University of Cambridge
- Bedfordshire University – family connection, no personal role.

Professor Lawrence Sherman

- Member – College of Policing Board
- Owner & Chief Executive, Cambridge Centre for Evidence-Based Policing Ltd
- Director, Institute of Criminology and Director of the MSt Programme in Applied Criminology and Police Management – University of Cambridge, Institute of Criminology, Faculty of Law
- Honorary President, Society of Evidence-Based Policing
- Honorary President, International Society of Criminology
- Owners & CEO, Crime Control Research Corporation (USA)

Sara Thornton CBE

- Member – College of Policing Board
- Chief Constable – Thames Valley Police

Annex C - Sustainability Performance Report

The Greening Government commitments³ set firm goals for departments to reduce the impact they have on the environment by reducing carbon emissions, water use, waste and supply chain impacts by 2015 (measured against a baseline year of 2009/10).

The commitments apply to the office and non-office estate of central government departments and their Executive Agencies (EAs), Non-Ministerial Departments (NMDs) and executive Non-Departmental Public Bodies (NDPBs) who must report in line with these commitments using both financial and non-financial information. As the College is wholly funded by the Home Office it must also comply with these requirements.

Summary of Future Sustainability Strategy

The College of Policing is committed to reducing its impact on the environment and is committed to reduce any adverse effects by implementing a programme of continual improvement. Activities are carried out in line with the Home Office Sustainable Development Policy.

The College manages these impacts and our environmental policy is to:

- Be compliant with all relevant legislation and other voluntary or contractual requirements pertaining to the environmental aspects of our operational activities
- Continually improve our environmental performance and prevent pollution
- Reduce energy usage in both our customers and our own operations
- Reduce waste and the consumption of materials in our customers and our own operations
- Segregate waste streams, recycle where viable and promote the use of recycled materials
- Ensure that environmental implications of all new projects and investment decisions are considered
- Reduce carbon dioxide emissions from all forms of business related travel, by promoting the use of video and phone conferencing and encouraging the use of public transport and implementing the use of a fuel efficient fleet where required
- Investigate environmental incidents and apply appropriate corrective actions to help ensure no reoccurrence
- Take account of the environmental concerns of our customers, the general public and external bodies

³ <http://sd.defra.gov.uk/gov/green-government/commitments/>

Sustainability information

This information is provided in accordance with HM Treasury Guidance⁴.

The commitments apply to the office and non-office estate of central government departments and their Executive Agencies (EAs), Non-Ministerial Departments (NMDs) and executive Non-Departmental Public Bodies (NDPBs) who must report in line with these commitments using both financial and non-financial information.

As highlighted above the College has taken over some sites previously used by the National Policing Improvement Agency and has continued with the energy saving activities in place at these sites. The College also aims to continually reduce its impact on the environment in the future.

The College is an active participant in the Home Office Sustainability Implementation Group and staff are encouraged to take action to reduce the College's environmental impact further via an environmental committee group which meets to consider environmental issues relating to the College.

Greenhouse Gas Emissions

Greenhouse Gas Emissions (tCO₂E)	Jan 14 – March 14
Building energy (tCO ₂ E)	2,855*
Business travel related Inc. air/rail (tCO ₂ E)	482*
Total	3,337*

Energy

Area	Jan 14 – March 14
Energy consumption (Gas and Electricity) kWh	7,849,313
Energy expenditure (Gas and Electricity) £	198,600*
LPG consumption Lts	63,531*
LPG expenditure £	19,683*
Oil consumption	0
Oil expenditure	0

Where possible we undertook video conferencing and teleconferencing rather than business travel. Where business travel is unavoidable the most carbon-efficient and cost effective methods are encouraged.

⁴ HM Treasury(2013) Public Sector Annual Reports: Sustainability Reporting Guidance for 2012-13 Reporting available www.hm-treasury.gov.uk/frem_sustainability

* Estimated figure based on historical data

Other energy saving methods used by the College are motion-sensitive light controls in some areas at Bramshill and solar panels used to heat water at Ryton.

Waste

Waste	Jan – Mar 14	Expenditure £
Landfill	15.12*	1,703*
Recycled	19.24*	1,877*
Incinerated	0	0
Total Estate waste amount in tonnes	34.36*	3,580*

The College aims to minimise the amount of waste sent to landfill by reducing the amount of waste that is generated and increasing the amount of waste that is recycled. The College's Harrogate site recycles 100% of its non-food waste and none of the College's waste is sent for incineration or is hazardous waste.

Water

Area	Jan – Mar 14
Estate water consumption m ³	12,711*
Estate water expenditure £	19,130*

The College uses some environmentally friendly practices to reduce water usage where possible across its estate. The College has rainwater recovery systems to service some of the accommodation blocks at both Bramshill and Ryton.

Biodiversity and Natural Environment

The local natural environment is an important factor in estate management decisions. Ryton, which was taken over by the College in December 2012, is home to a population of great crested newts. The great crested newt and its habitat are protected by law because the species has declined significantly over recent decades, largely due to habitat loss. The effect of any new building work on the newts' habitat is particularly taken into account by the College.

The Bramshill site includes nearly 300 acres of parkland. This varied landscape of woods, lakes, formal gardens and terraces is managed to preserve the natural biodiversity, within financial constraints but as required by the listed status of the property.

* Estimated figure based on historical data

Sustainable Procurement and Asset Management

The College seeks to procure and manage its current assets in the most efficient way possible. As part of this the land holdings at Bramshill were used sustainably by:

- Growing fruit and vegetables to supply the delegate and staff canteen, cutting costs and reducing carbon footprint of transported food
- Using other wood acquired through woodland management as bark mulching, or composting.

Sustainable Construction

The College is aware of the requirement for any new buildings that are constructed must be built according to BRE Environmental Assessment Method Standard (BREEAM). All buildings at Harperley Hall have undergone renovation to ensure they meet BREEAM standards.

People

Everyone working for the College or on its behalf is required to carry out activities in line with the 'Home Office Environmental Policy' and the Environmental Policy Statement made by the CEO (revised December 2012). This statement describes the broad approach the College is taking across its sites. All members of staff have ready access to this statement through the College's intranet. The College has also adopted some green principles that provide staff with simple, practical steps that they can take to minimise the company's impact on the environment.

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