

**Police Rehabilitation & Retraining Trust  
Annual Report and Accounts**

**For the year ended 31 March 2014**



**Rehabilitation and  
Retraining Trust**

[BLANK PAGE]

Police Rehabilitation & Retraining Trust  
Annual Report and Accounts

For the year ended 31 March 2014

*Laid before the Northern Ireland Assembly*

*Under the Audit and Accountability Companies (Public Sector Audit) Order (NI) 2013*

*By the Police Rehabilitation & Retraining Trust*

*on*

*8 September 2014*

# THE POLICE REHABILITATION AND RETRAINING TRUST

---

© Police Rehabilitation & Retraining Trust copyright 2014.

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence> or email: [psi@nationalarchives.gis.gov.uk](mailto:psi@nationalarchives.gis.gov.uk).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

Any enquiries regarding this document should be sent to us at [info@prrt.org](mailto:info@prrt.org).

This publication is also available for download from our website at [www.prrt.org](http://www.prrt.org).

# THE POLICE REHABILITATION AND RETRAINING TRUST

---

## Contents

### Annual Report

|                           |   |
|---------------------------|---|
| Chairman's Foreword       | 6 |
| Chief Executive's Remarks | 7 |

### Departmental Reports

|                                     |    |
|-------------------------------------|----|
| Psychological Therapies Department  | 9  |
| Physiotherapy Department            | 11 |
| Coaching and Development Department | 12 |
| Training and Education Department   | 14 |

### Other

|  |    |
|--|----|
| Management Commentary                              | 15 |
| Remuneration Report                                | 19 |
| Statement of Accounting Officer's Responsibilities | 22 |
| The Directors' Report                              | 23 |
| Governance Statement                               | 26 |

### Consolidated Financial Statements

|   |    |
|---|----|
| Officers and Professional Advisers                      | 35 |
| The Certificate of the Comptroller and Auditor General  | 36 |
| Consolidated Statement of Comprehensive Net Expenditure | 38 |
| Consolidated Balance Sheet                              | 39 |
| Parent Company Balance Sheet                            | 41 |
| Consolidated Statement of Cash Flows                    | 42 |
| Consolidated Statement of Changes in Taxpayers' Equity  | 43 |
| Notes to the Financial Statements                       | 44 |
| Detailed Consolidated Net Expenditure Account           | 60 |

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

### Chairman's Foreword

On behalf of the Board of Directors I present the Annual Report and Accounts of the Police Rehabilitation and Retraining Trust (PRRT) for the year ended 31 March 2014. The Accounts have been consolidated and include PRRT and Futures (NI) Limited.

Against a background of a reducing budget from 2010, the staff of the Trust have continued to do their utmost to provide a seamless and outstanding service to our client group. This has not been without personal cost and it is regrettable, as with last year's Annual Report, that again I must report staff redundancies through restructuring in order to meet reduced funding allocations. On behalf of the Board of Directors, I extend my sincere thanks to all of the staff for their outstanding dedication.

Many officers, both retired and serving, now enjoy a better quality of life through having made contact with the PRRT. The Trust will continue to work with our sponsor branch the Department of Justice (DoJ) with a view to ensuring the core services and support the Trust provides to the policing community, both retired and serving, in Northern Ireland can continue.

The reporting year has been very challenging and I extend my sincere thanks to my fellow Directors and the Chief Executive Officer for their hard work and invaluable support and guidance to me during the past twelve months.



---

**Sheamus Hamill QPM MA FCMI**  
**Chairman of the Board of Directors**

## **Chief Executive's Remarks**

Over the past year the Police Rehabilitation and Retraining Trust (PRRT) has continued to develop and build on the successful service delivery, positive outcomes and client satisfaction which we have consistently achieved over the years. Staff across the Trust are fully focussed on providing the highest quality and professional services to best meet the wide and varied range of client needs.

The core service departments have continued to work at a consistently high level in providing quality client-focused care and there is constant demand for our services across all departments. A key objective of the Trust is to keep waiting lists down to within tightly managed agreed targets and I am pleased to say that we have consistently met these targets throughout the year.

The Departmental Reports, which are shown later in this report, will give further details on numbers of clients, the associated work activities and the positive outcomes achieved. It should be noted that one of the key success factors of the Trust is our integrated approach to service provision. Our aim is to ensure that we are able to meet the diverse needs of our client group by offering a multi-disciplinary approach. Our service departments are acutely aware of how our clients' needs can be most effectively met and the Senior Management Team (SMT) continue to develop approaches which are cross cutting in terms of the services provided.

The Trust is continuously improving both its core services and those corporate support services which are vital to the efficient functioning of the organisation as a whole. We continue to develop our systems of Corporate and Clinical governance and have developed an effective system and culture of risk management across the organisation. The SMT has been given an increased level of ownership of budgets and this has resulted in a more effective and transparent system of decision-making in respect of the optimum use of resources across the Trust.

The wider economic environment and efficiency drive across the public sector is continuing to provide challenges for the Trust in terms of maintaining our commitment to the delivery of front-line services and to ensure these services meet the needs of our clients. Staff across the Trust have worked extremely well in developing efficient and effective responses and solutions to the reduced budget and I am pleased to say that we consistently met all our key targets. We are confident that we have the skills, experience and professionalism within our organisation to continue to meet the challenges over this period of change.

The Board and I have had to take a number of difficult decisions over the past year in terms of reducing staff numbers and rationalising expenditure in all areas across the Trust in order to continue to operate within budget. We are realistic enough to know that we are working in an environment where nothing is guaranteed in terms of resourcing and funding and as we look forward over the next few years it will be a testing time for all organisations across the public and private sectors. However, as an organisation, we are focused on efficient service delivery and this has been a hallmark of the Trust over the years. Our staff are concentrated in areas of front-line services and are supported by a flat management and administrative structure which should serve us effectively in times of budgetary constraint.

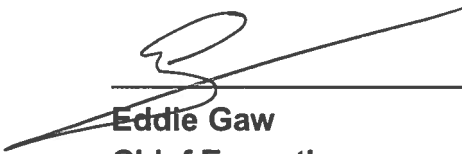
# **THE POLICE REHABILITATION AND RETRAINING TRUST**

## **Annual Report 2013-14**

---

As an Executive Non Departmental Public Body (NDPB) of the Department of Justice (DoJ) we have continued to develop an effective working relationship with our sponsor branch (DoJ). The reporting, accountability and governance demands can be a challenge for a small organisation whose staff are mainly dedicated to front-line service delivery. This necessitates an efficient and integrated corporate approach by the relevant professional disciplines in the Trust and close liaison with the DoJ which is key to delivering good governance, clear accountability and best practice.

In conclusion, I would like to thank staff across the organisation that have consistently worked to the highest standards and shown great commitment throughout an extremely demanding year. The success of the Trust would be impossible without the skills, dedication and commitment of staff right across the organisation, at all levels and disciplines. As we look forward to the future in continuing to provide and develop our services in a changing and demanding environment, we can assure all our clients and stakeholders that the focus on providing a quality service, carried out efficiently and effectively, will continue to be our key objective.



---

**Eddie Gaw**  
**Chief Executive**



## **Departmental Reports**

### **Psychological Therapies Department**

#### **Clinical Service**

The Psychological Therapies team has continued to provide the highest standard of evidenced-based psychological treatment to its patients during this reporting period. Treatment has also been delivered in a timely manner with all patients being seen by a clinician within a maximum of 10 days from initial telephone contact. This ensures that service users' needs are identified and appropriate action taken.

Patients utilising this service present mainly with complex and chronic psychological problems. The department's experienced and specialist clinicians work in partnership with all patients to achieve and maintain tangible symptom reduction and visible improvement in their functioning and quality of life. Patient feedback demonstrates that 100% of all service users were either very satisfied or satisfied with their treatment, with 100% of all patients rating their quality of life as better following treatment.

A sample of written feedback from patients:

*"I would not be alive today if it was not for the help and support of PRRT"*

*"My flash backs and depression have gone and I feel confident and healthy...a superb service"*

*"I have been fully supported throughout a very traumatic time in my life and have been treated with respect, shown patience, empathy and understanding. My therapist has been a life saver, quite literally"*

In addition to providing clinical services to the police family the department continues to be the provider of psychological support to the wider DoJ family. All department clinicians have attended professional development training courses throughout this year to ensure that patients are offered the most up to date and effective treatments for their service related conditions.

#### **Partnership working with the Police Service of Northern Ireland's (PSNI) Occupational Health and Wellbeing Service (OHW)**

The department has a long history of working in partnership with PSNI OHW to provide treatment for serving officers. This partnership working has enabled a significant number of serving officers to receive the treatment they require whilst remaining at work. This year has seen a significant rise in referrals. Partnership working has also ensured that referrals following critical incidents are assessed and treated rapidly to optimise positive outcomes. Feedback from serving officer service users has been excellent.

#### **Working in Partnership with DoJ Learning and Development Forum**

The DoJ Learning and Development Forum commissioned the department of psychological therapies to design and deliver bespoke training to DoJ staff as part of its Managing Mental Health Strategy. Courses have been designed and delivered to a range of DoJ services in the areas of Understanding Mental Illness, Managing Mental Health for Managers and Conflict Management in Mental Health. Feedback from these courses to date has been excellent and they will continue to be facilitated throughout the coming year.

## **THE POLICE REHABILITATION AND RETRAINING TRUST**

### **Annual Report 2013-14**

---

During the past year the department has had several opportunities to share its skills with the wider DoJ family. Clinical knowledge has been transferred into specialist practical training courses in the areas of Conflict Management, Trauma Resilience, Managing Distressed and Difficult People and Stress Management. Courses have been provided for the Northern Ireland Forensic Service, the Police Ombudsman for Northern Ireland, the Northern Ireland Police Fund, the Public Prosecution Service, the Police Service of Northern Ireland, the Youth Justice Agency and Victims Support NI.

#### **Psychological First Aid**

During the past year, the department has been able to provide psychological support to these organisations following significant critical incidents. This specialist support delivered by senior clinicians has received very positive feedback. The support has minimised staff distress and sick leave and has assisted professional teams in the management of traumatic incidents.

#### **PSNI Training Provision**

Continuing the department's partnership working with PSNI, clinicians have been designing and providing bespoke training courses for a number of PSNI departments. These courses, which focus on providing officers with additional practical skills, have included topics such as Trauma Resilience, Dealing with those suffering from mental illness in critical incidents and Stress Management.

#### **Knowledge Sharing**

In addition to the above training provision, team clinicians have also taken opportunities to share their knowledge with the wider psychological community. Of particular note the Irish Journal of Psychology published research conducted by the department identifying the high levels of psychological problems continuing to exist in the retired police population due to their service experiences.

## **Physiotherapy Department**

The Physiotherapy team continues to provide a high quality, evidence based service to our clients in order to enable them to maintain and improve their quality of life and functional ability. The core business of the department continues to be one-to-one musculoskeletal physiotherapy delivered at Maryfield and through our regional associate practices.

This has been another very busy year for the department. In particular, the number of referrals for the regional service has increased by a further 27%. The department introduced a new telephone triage system for clients in order to improve accessibility and manage costs. This has been successful in that while numbers have increased the cost has remained within budget, while maintaining both client satisfaction and clinical outcomes. This year we also completed a procurement exercise for the ongoing provision of these regional services. We currently have 17 associate practices throughout the province.

### **Group work**

Group exercise courses such as Tai Chi and Core Stability continue to be a useful adjunct to our service. Hydrotherapy in Newtownards and Ballymoney is a valuable resource for clients with long term, chronic and often painful conditions.

### **Continuous Professional Development (CPD)**

Team members have attended various external courses as part of their CPD activities including the Annual National Physiotherapy Conference, Physiotherapy UK. This is an invaluable opportunity to benchmark our service against best practice and clinical evidence.

### **Service audit outcomes**

The findings from the 2013-14 client satisfaction survey revealed that 99% of clients were very satisfied or satisfied with the service, whilst 95 % of clients felt that they gained moderate to great benefit from the treatment they received. We received 328 completed discharge questionnaires with many positive comments:

*'Thank you for your help and assistance. I was really struggling when I contacted you but with your assistance and guidance my back problem was greatly relieved'*

*'Please pass on my thanks, I arrived at Maryfield in poor condition and with your help I recovered well and was able to go on holidays and resume work and physical activities. I can't thank you enough.'*

### **Links with the University of Ulster at Jordanstown (UUJ)**

The department continues to offer two placement years to final year students. This allows us to maintain links with the UUJ and to share our knowledge and expertise.

### **DOJ**

The department continues to offer support to the wider DoJ family providing treatment to serving officers through the PSNI's OHW Seapark Scheme, the Youth Justice Agency and the NI Policing Board.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

### Coaching and Development Department

The Coaching and Development Team continued to provide a professional career and development coaching service to clients planning for a meaningful and active life at the end of their policing career. This has involved working with people on a one-to-one basis, hosting information events and delivering a range of courses at Maryfield.

The number of sessions provided for core clients has increased by 37% when compared to the same period in 2012-13. In the reporting period 64% of people accessing the service were serving police officers. This represents a slight decrease in this group in comparison to 2012-13, however this is compensated by an increase in the number of retired officers using the service, rising from 25% to 36%.

In addition to working with clients from a policing background the service has provided an outplacement service to staff leaving the Northern Ireland Prison Service through the early exit scheme.

#### **Northern Ireland Prison Service (NIPS) Early Exit Scheme**

The PRRT is responsible for the outplacement service element of the NIPS Early Exit Scheme. In 2013-14 phases three through to six were released by the NI Prison Service. A total of 131 people approached the PRRT Coaching and Development Team for assistance with career planning and setting goals for their future.

#### **'Matrix' Accreditation**

The quality of the service delivered was once again recognised with the achievement of the 'matrix' standard for the fourth time. The standard is awarded to services across the UK for the provision of information, advice and guidance services. The Assessor noted the following comments made by clients during the accreditation visit:

*'really helpful and supportive staff who are non-judgemental'*

*'these guys are enthusiastic and passionate in what they do, and they're here to help'*

*'it's a really good service and a buffer to going out in the world, and helping in exploring new avenues'*

*'they have so many contacts, diversity across the employment sector'*

*'Show you there's a life out there'*

### **Courses and Workshops**

#### Employability Courses

Clients continue to seek guidance with joining the employment market and in particular managing the recruitment process. In addition to Skills Awareness and CV Development, Job Search and Interview Skills a new course based on recruitment and selection was delivered. The course entitled 'Assessment Centres and Psychometric Testing' introduces and prepares clients to the scope of assessments used by employers when recruiting new people.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

### Coaching and Mentoring Courses

A Chartered Management Institute (CMI) Level 5 course in Management Coaching and Mentoring continues to be popular with a full course started in January 2014.

### **Information Events**

A total of five events were organised this year to bring information to clients about opportunities in a range of sectors. The topics ranged from opportunities within the NI film industry to working in the oil and gas industries.

### **Professional Development**

The Coaching and Development department is a member of the Association for Coaching. Members of the team have attended master classes throughout the year to update their professional skills and knowledge. The department has hosted two Association of Coaching Events providing an opportunity to promote the work of the service within the sector.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

### Training and Education Department

During the past year, the Training and Education department has again achieved extremely high pass rates for examinations. 100% of students passed academic courses. There was a 98% pass rate for the European Computer Driving Licence (ECDL) qualification and an overall increase in the number of students attending training courses.

#### Training Course Portfolio

We have continued to develop our training course portfolio with courses designed to improve the efficiency and effectiveness of attendees whilst underpinning their career goals and personal development aspirations. Areas of particular demand include Coaching and Mentoring, teaching qualifications, Business Start-up Courses and the ECDL. Our training continues to achieve excellent evaluation outcomes.

#### Academic Training

Academic related training continues to be in high demand, and along with our academic partners we now offer two degree level courses which, with exemptions, clients can complete in a 15 month period. These degree level courses are:

- BA in Management and Leadership (PD) - accredited by the University of Dundee;
- BSc in Management Practice – accredited by the University of Ulster.

Enrolment on courses for GCSE subjects, teaching qualifications and Certificate and Diploma level courses has increased this year with particular interest in the Certificate in Preparing to Teach in the Lifelong Learning Sector.

A total of 84 students successfully completed academic related courses this year. The annual graduation and award ceremony, held at Maryfield, was attended by 58 students along with their family, friends, tutors and special guests. The students graduated in various disciplines and the ceremony was a fitting tribute to the hard work demonstrated by all concerned.

#### Teaching Qualifications

A total of 60 students successfully completed the City and Guilds Certificate in Preparing to Teach in the Lifelong Learning Sector. This course has enabled many students to progress to higher level teaching qualifications and secure employment within the further and higher education sector.

#### IT Training

The department's good work in the management and administration of the ECDL training programme was again recognised by the British Computer Society (BCS) with the department once again being awarded 'A' grade status.

#### Service Output

During the year a total of 2,350 serving and retired officers attended training courses. Full Time Reserve (FTR) officers, family members and self-funding participants took up a total of 1,366 training places. Financial training support was awarded to 183 clients to assist with external training activity.

## **Management Commentary**

The PRRT presents the Annual Report and the Audited Consolidated Accounts for the year ended 31 March 2014.

On 12 April 2010, policing and justice functions in Northern Ireland were devolved to the Northern Ireland Assembly and the DoJ came into existence as a new Northern Ireland Department. The PRRT status changed from a Not For Profit Institution Serving Household (NPISH) to an Executive Non-Departmental Public Body (NDPB) of the DoJ from 1 April 2013.

Futures (NI) Limited (Futures) is a wholly owned subsidiary of PRRT. It was decided that Futures would cease trading as of 31 March 2013. A strike off application has been made to Companies House which has been accepted. It is expected that Futures should be dissolved by 30 June 2014.

The Annual Report and Accounts for the year ended 31 March 2014 will be laid before the Northern Ireland Assembly.

The PRRT complies with the corporate governance and accountability framework arrangements (including '*Managing Public Money Northern Ireland*' (MPMNI)) issued by the Department of Finance and Personnel (DFP) and the DoJ.

### **Review of Business**

The PRRT has successfully delivered a range of services in support of serving and retired police officers who are preparing for life after leaving the police. This has included the direct provision of services, appropriate support to organisations with similar aims within the wider police family and the development of links in wider society.

All work carried out under Futures has been streamlined and from 1 April 2013 all remaining work was transferred to the PRRT. A strike off application has been made to Companies House in regard to Futures and it is expected that Futures will be dissolved by June 2014. This therefore will be the last consolidated report.

### **Financial Position at the Year End**

The PRRT maintained a steady financial position at the year end, with a balance of £1,133,175 carried forward on the general reserve account. Sufficient funding is in place to support all expected activities in the coming year.

During the year, an additional £78,943 was invested in fixed assets to further improve the facilities and equipment available for client service delivery.

The financial results of the PRRT operations in 2013-14 are set out in detail within the Financial Statements section.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

In preparing the accounts, the PRRT is required to observe the accounts direction issued by the DoJ, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and interpreted by the 2013-14 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM comply with IFRS as adapted or interpreted for the public sector context.

### **Business Review Strategy**

The PRRT prepares annual Business Plans. Each area of responsibility monitors performance and reports regularly to the Senior Management Team (SMT) and, on a bi-monthly basis, to the Board on the achievement of targets. Details of the PRRT activities for the year are provided in the Annual Report Departmental Reports.

### **Key Performance Indicators**

The PRRT has specific key performance indicators (KPIs) for each department. These are reported and reviewed on a monthly basis by the senior management team, on a bi-monthly basis by the Operations and Finance Committee and at the quarterly governance meetings with the DoJ.

Key Performance Indicators for the PRRT are:

- To provide clinical and personal development services for our core client group, as per Business Plan Targets;
- To maintain waiting times as per Business Plan targets;
- To achieve a minimum of 95% client satisfaction at discharge from clinical services;
- To provide clinical services / training courses within the DoJ within 2 weeks of request for clinical services and 12 weeks for training;
- To continue to implement, develop and monitor the principles of clinical governance;
- To provide and monitor financial support for client's external training requirements in support of personal and professional development goals within allocated budget;
- To meet all Key Performance Indicators agreed to within Service Level Agreements;
- To ensure that the year end financial statements and annual report and audit are completed in line with statutory targets;
- To complete and monitor the PRRT's annual budget;
- To ensure all contracts are appropriately procured and managed in conjunction with/support from Central Procurement Directorate (CDP);
- Effective Absence Management to meet the target of 4%;
- Timely completion of annual and quarterly returns to DoJ;
- Hold quarterly governance meetings with Sponsor Branch and address all action points on a timely basis;
- To ensure that the Trust's budget is focused on delivering best value for money whilst maintaining professional client services;



# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

- To maintain support for continuing professional development to ensure that staff are equipped with the right skills and knowledge to deliver an excellent service;
- To ensure that the corporate training programme will be maximised to improve service to clients;
- To meet reporting demands of the DoJ within the timescales set.

### **Principal Risks and Uncertainties**

The PRRT continues to be funded by grant in aid from the DoJ. The PSNI FTR Severance Support Programme has been extended to the end of December 2017, via an SLA between PSNI and the PRRT.

### **Future Development**

The PRRT will continue to provide services to police clients and in particular to support the severance arrangements for FTR officers leaving PSNI. The PRRT is also committed to sharing the expertise of our staff and clients with other organisations within the DoJ family, and to identifying opportunities for income generation.

### **Prompt Payment Practice**

The PRRT is committed to the prompt payment of bills for goods and services received in accordance with the Confederation of British Industry's Prompt Payers Code and Government accounting rules. Unless otherwise stated in the contract, payment is made no later than 10 working days from the presentation of a valid invoice or similar demand which has been appropriately authorised for payment. If invoices are not appropriately approved payment may be slightly delayed. During 2013-14, 64% of invoices were paid within 10 days and 99% were paid within 30 days.

The PRRT now pay for the majority of goods and services via BACS. This is efficient and ensures that suppliers receive payments more promptly and directly into their bank accounts. Going forward, all suppliers are now asked to ensure information is provided to enable this method of payment.

### **Data Handling**

Personal data includes any information which links one or more identifiable living person with information about them which, if released, would put them at significant risk of harm or distress, any source of information about 1,000 or more identifiable individuals, or other information sourced from the public domain. There was one data breach during the year. The breach was limited to one person. There was no evidence to suggest that the person suffered any detriment as a result of the disclosure and, therefore, the Information Commissioner's Office (ICO) did not consider any further action was required.

### **Complaints Procedure**

The PRRT operates a three stage complaints procedure. All complaints, where possible, will be investigated in a confidential and discreet manner. At times, the information may have to be shared with the individuals against whom the complaint has been made. The first stage is

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

to try and seek resolution with the staff member concerned, failing this the matter moves to stage two where the Head of Department is required to investigate the incident. The final stage is escalation to the Chief Executive.

During 2013-14 the PRRT received 0 complaints (2013: 0).

### **Sustainability and Environmental Matters**

The PRRT, despite its small scale, is concerned to ensure that it minimises its environmental impact and is committed to continuing its drive on sustainable development by promoting and maintaining a positive and inclusive culture amongst staff and stakeholders. The PRRT recycles paper, plastic, cardboard and cans, which has significantly reduced the amount of waste that is disposed of to landfill.

### **Employment of Disabled Persons**

The PRRT aims to ensure that people with a disability suffer no detriment in recruitment and advancement and that its policies and practices comply with the requirements of the Disability Discrimination Act 1995 and Disability Discrimination (Amendment) Regulations 2003. The consideration and implementation of reasonable adjustments help to ensure that staff with disabilities can fully utilise their skills and abilities.

### **Equal Opportunities and Diversity**

The policy the PRRT is that all eligible persons shall have equal opportunity for employment and advancement on the basis of their ability, qualifications and aptitude for work. Under the policy, no person must be treated less favourably, in any respect of his/her employment, for a reason related to gender, marital status, religious belief, political opinion, disability, colour, race, ethnic or national origin, age, sexual orientation and having dependants, which should be irrelevant to the treatment or assessment of that individual.

The PRRT is an Equal Opportunity employer and is fully committed to the elimination of all forms of harassment and bullying, discrimination and victimisation. The PRRT recognises the legal obligations under which it operates and ensures working relationships are based on mutual trust, respect and understanding. This allows the maximum potential to be made of the wide variety of skills, abilities and attributes available within the Trust.

### **Absence Data**

For the year 2013-14 the PRRT measured cumulative absence at 2.73% (2013: 3.66%). This is broken down to 1.58% (2013: 2.13%) for long term absence and 1.15% (2013: 1.64%) for short term absence. Futures do not directly employ staff.

---

**Eddie Gaw**  
**Accounting Officer**

**Date:**

2/6/14

## **Remuneration Report**

### **Remuneration Policy**

The remuneration of senior staff is the responsibility of the Chief Executive, Heads of Department and the Human Resources Manager. PRRT staff are not civil servants and are remunerated in line with external salary scales appropriate to their role and professional background. Futures does not employ any direct staff.

Clinical staff follow the National Health Service (NHS) scales, all other staff are on National Joint Council (NJC) scales. The PRRT is not involved in pay negotiations. Non-Clinical staff have been on a pay freeze from April 2010. Healthcare staff had a previously negotiated three year plan which ended in March 2011. For 2013-14, both sets of pay scales included 1% pay uplift.

In reaching its recommendations for the payment of staff the PRRT has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and the effects on the recruitment and retention of staff;
- the funds available to the PRRT as set out in the DoJ's agreed expenditure limits;
- the appropriate sections of the PRRT Management Statement and Financial Memorandum (MSFM).

The PRRT will also take account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Staff performance is appraised by line managers against agreed objectives and targets. The PRRT employees do not receive bonuses.

### **Service Contracts**

Directors are non-executive and are appointed by the Board for a fixed period. New contracts were issued to Directors during the financial year 2009-10. The PRRT employees are directly employed and are not civil servants.

### **Remuneration and Pension Entitlements**

The following sections provide details of the remuneration and pension interests of the Directors and senior officials of the PRRT.

#### **Salary**

'Salary' includes gross salary, overtime and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the PRRT and thus recorded in these accounts.

#### **Benefits in Kind**

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HMRC as a taxable emolument.

## THE POLICE REHABILITATION AND RETRAINING TRUST

### Annual Report 2013-14

#### Off Payroll Payments

The PRRT did not make any off-payroll payments for engagements costing over £58,200. A number of agency staff were employed on a temporary basis. The cost of this is shown in the Consolidated Financial Statements at note 5.

#### List of Directors/Senior Staff and Remuneration (if applicable) – AUDITED INFORMATION

|                            | 2013-14         |                                  | 2012-13         |                                  |
|----------------------------|-----------------|----------------------------------|-----------------|----------------------------------|
| Officials                  | Salary<br>£'000 | Benefits in kind<br>Nearest £100 | Salary<br>£'000 | Benefits in kind<br>Nearest £100 |
| Mr W Brown - Director      | 0 - 5           | -                                | 0 - 5           | -                                |
| Mrs J D'Arcy - Director    | 0 - 5           | -                                | 0 - 5           | -                                |
| Mr S Hamill - Director     | 10 - 15         | -                                | 10 - 15         | -                                |
| Mr E Hanna - Director      | 0 - 5           | -                                | 0 - 5           | -                                |
| Mr D McClurg – Director    | 0 - 5           | -                                | 0 - 5           | -                                |
| Mr T Spence - Director     | -               | -                                | -               | -                                |
| Mr A Sherrard – Director   | 0 - 5           | -                                | 0 - 5           | -                                |
| Mr R Walker – Director     | 0 - 5           | -                                | 0 - 5           | -                                |
| Mr J Stewart – Director    | -               | -                                | -               | -                                |
| Mr T Lewis - Director      | 0 - 5           | -                                | 0 - 5           | -                                |
| Mrs C Dixon – Director     | 0 - 5           | -                                | 0 - 5           | -                                |
| Mr D Watkins – Director    | 0 - 5           | -                                | 0 - 5           | -                                |
| Mr E Gaw - Chief Executive | 60 - 65         | -                                | 60 - 65         | -                                |

#### Pay Multiples – AUDITED INFORMATION

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid official (see previous table) in the financial year 2013-14 was £62,500 (2013: £62,500). This was 1.92 times (2013: 2.78) the median remuneration of the workforce, which was £32,500 (2013: £22,500). In 2013-14, 1 (2013: 1) employee received remuneration in excess of the highest paid official. Remuneration ranged from £5,000 to £70,000 (2013: £5,000 to £70,000).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

### Pensions of Senior Management – AUDITED INFORMATION

| Officials                    | Accrued pension at age 60 as at 31/3/14 and related lump sum | Real increase in pension and related lump sum at age 60 | CETV at 31/3/14 | CETV at 31/3/13 | Real increase in CETV | Employer contribution to partnership pension account |
|------------------------------|--|---|-----------------|-----------------|-----------------------|--|
|                              | £'000  | £'000   | £'000           | £'000           | £'000                 | Nearest £100   |
| <i>Chief Executive E Gaw</i> | -  | -   | -               | -               | -                     | £9,700   |

Directors have no pension entitlement from the PRRT. For the PRRT employees, a stakeholder pension arrangement is in place. The employer makes a basic contribution of 6% of basic salary into a personal pension plan, for the majority of employees, with the exception of the Chief Executive. Employees may also make personal contributions.

#### Redundancy

During the year, 5 (2013: 1) staff members were made redundant. In the event of staff being made redundant the PRRT follows the statutory rules and guidelines and redundancy payments are made in accordance with statutory entitlements. Staff members made redundant do not receive an enhanced exit package. The table below shows this information with comparative figures for the previous year in brackets.

#### Reporting of compensation and exit packages or all staff 2013-14 (2012-13)

| Exit package cost band               | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages by cost band |
|--------------------------------------|-----------------------------------|-----------------------------------|--|
| <£10,000                             | 3 (1)                             | 2 (0)                             | 5 (1)                                      |
| £10,000-£25,000                      | - (-)                             | - (-)                             | - (-)                                      |
| £25,000-£50,000                      | - (-)                             | - (-)                             | - (-)                                      |
| £50,000-£100,000                     | - (-)                             | - (-)                             | - (-)                                      |
| £100,000-£150,000                    | - (-)                             | - (-)                             | - (-)                                      |
| £150,000-£200,000                    | - (-)                             | - (-)                             | - (-)                                      |
| <b>Total number of exit packages</b> | <b>3 (1)</b>                      | <b>2 (0)</b>                      | <b>5 (1)</b>                               |
| <b>Total Cost £</b>                  | <b>£10,729 (£5,590)</b>           | <b>£16,886 (£Nil)</b>             | <b>£27,615 (£5,590)</b>                    |

  
 Eddie Gaw  
 Accounting Officer

Date: 2/6/14

**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Annual Report 2013-14**

---

**Statement of Accounting Officer's Responsibilities**

The PRRT is required to prepare financial statements in accordance with the Companies Act 2006 and, in addition to its obligations as an Executive Non Departmental Public Body (NDPB), the DoJ is required to:

- Follow the accounts direction issued by the DoJ, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Give a true and fair view of the state of affairs at 31 March 2014 and subsequent financial year-ends, and of the income and expenditure, changes in taxpayers' equity and cash flows for the financial year then ended;
- Provide disclosure of any material expenditure or income that has not been applied to the purposes intended by the NI Assembly or material transactions that have not conformed to the authorities which govern them;
- Compliance with the requirements of the FReM will be necessary for the accounts to give a true and fair view. Any material departure from the FReM will be discussed with the DoJ and DFP.

The DoJ has designated the Chief Executive as Accounting Officer of the PRRT.

The responsibilities of an Accounting Officer includes, responsibility for the propriety and regularity of public finances, for keeping proper records and for safeguarding PRRT's assets, which are set out in Chapter 3 of MPMNI.

---

**Eddie Gaw**  
**Accounting Officer**



Date: 2/6/14

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

### Directors' Report

The Directors have pleasure in presenting their Annual Report and the Consolidated Financial Statements of the PRRT and Futures (NI) Limited (Futures) for the year ended 31 March 2014.

#### Principal activities and business review

The principal activities of the PRRT during the year were to assist former and serving members of the Royal Ulster Constabulary and the Police Service of Northern Ireland with psychological therapies, physiotherapy, career coaching and training prior to and following cessation of their service. The PRRT has also provided services to other DoJ bodies.

#### The Consolidation

The PRRT consolidation consists of the parent company, the Police Rehabilitation and Retraining Trust (a company limited by guarantee) and a wholly owned subsidiary, Futures (NI) Limited, having capital of 1 ordinary share.

The parent's status changed from a NPISH to an Executive NDBP of the DoJ from 1 April 2013. The Directors made a decision that Futures (NI) Ltd would cease trading as of 31 March 2013 and be wound up during the 2013-14 financial year. The strike off application has been made and accepted to Companies House and by June 2014 Futures should be dissolved.

#### Results

The consolidated net expenditure for the year amounted to £197,480.

#### Events after the Reporting Period

There are no events after the reporting period with the exception that the legal status of PRRT is likely to be changed in the forthcoming year from that of a company limited by guarantee to an Executive Non Departmental Government Body. This will be a change in legal status and does not affect the PRRT as a going concern.

#### Directors

The Directors of the parent company who served the PRRT during the year were as follows:

Mr S Hamill (Chair)  
Mr W Brown  
Mrs J D'Arcy  
Mrs C Dixon  
Mr E Hanna  
Mr T Lewis  
Mr D McClurg  
Mr A Sherrard  
Mr T Spence  
Mr J Stewart  
Mr R Walker  
Mr D J Watkins

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

### **Re-appointment and retirement of Directors**

The PRRT's reclassification to an Executive NDPB, together with forthcoming founding legislation, will require all Board appointments to be made in line with the Commissioner for Public Appointments for Northern Ireland's Code of Practice. The current Directors will stand down and the new Directors will be appointed in the 2014-15 financial year.

### **Register of Interests of Board Members**

Directors are required to register all interests, direct or indirect, which members of the public might reasonably think could influence their judgement. This register is open to view by the public. Any significant interests are detailed in note 18: Related Party Transactions.

### **Research and Development**

The PRRT is committed to an on-going programme of research in order to develop and improve service provision.

### **Pension Liabilities**

The PRRT operates a defined contribution pension scheme which is outlined in note 1 of the Consolidated Financial Statements and the Remuneration Report. Details of pension costs are set out in note 5 to the Consolidated Financial Statements and also in the Remuneration Report.

### **Auditors**

The PRRT Consolidated Financial Statements for 2013-14 have been audited by the Northern Ireland Audit Office in accordance with the Companies Act 2006.

The audit of the financial statements for 2013-14 resulted in an audit fee which is estimated at £18,000 and is included in the administration costs in the Consolidated Statement of Comprehensive Net Expenditure. During the year the auditors did not provide any non-audit services.

### **Disclosure of Audit Information**

The Chief Executive is the Accounting Officer. So far as the Accounting Officer is aware, there is no relevant audit information of which the auditors are unaware. The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

### **Directors' responsibilities**

The Directors are responsible for preparing the Annual Report and the Consolidated Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and interpreted by the 2013-14 Government Financial Reporting Manual (FRoM) issued by HM Treasury. Under company law the Directors must not approve the Consolidated Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the PRRT and of the surplus or deficit of the PRRT for that period. In preparing these Consolidated Financial Statements, the Directors are required to:



## THE POLICE REHABILITATION AND RETRAINING TRUST

### Annual Report 2013-14

---


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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the PRRT transactions and disclose with reasonable accuracy at any time the financial position of the PRRT and enable them to ensure that the Consolidated Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the PRRT and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the PRRT Auditor is unaware; and
- the Directors and the Accounting Officer have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Approved by the Directors on 3rd June 2014.

  
\_\_\_\_\_  
Mr E Hanna  
PRRT Secretary

## **Governance Statement**

### **Scope of Responsibility**

The PRRT as its own entity was established in 1999 to provide members of the RUC / PSNI and their families with assessment, treatment, training, and support prior to and following cessation of their service. The PRRT was formed in the wake of the fundamental review of policing which was initiated in 1994 following a survey of police clients which identified the need to provide healthcare and careers based services for them and their families in a secure environment. The purpose of the PRRT therefore is to enable retired or retiring police clients to achieve and sustain a successful transition into civilian life by providing personal and careers advice and guidance, psychological and physiotherapy therapies and services, education, training and employment support. The PRRT also provides a support service to serving officers. The PRRT as an "internal provider" can offer its services to the wider DoJ family in line with the current public procurement framework. Futures is a wholly owned subsidiary of the PRRT. Futures carried out a similar scope of work to that of PRRT but dealt mainly with groups closely aligned to DoJ or within the DoJ family. Futures ceased trading on 31 March 2013 and will be stuck off by the end of June 2014.

The PRRT Corporate Objectives are:

1. To assist clients in managing the transition from police to civilian life through the provision of personal development, careers advice and guidance, training and education, employment support and psychological and physical therapies;
2. To provide these same services (whether directly or on a sub-contracted basis) to non-police bodies within, or funded by, the DoJ.

As Accounting Officer for the PRRT (a body defined as an Executive Non Departmental Public Body (NDPB)), I have responsibility for maintaining a sound system of internal controls that supports the achievement of the PRRT policies, aims and objectives as set out in the annual Business Plan and agreed with the DoJ, whilst safeguarding the public funds and assets for which I am personally responsible in accordance with responsibilities assigned to me in MPMNI. This includes the effective management of financial and non-financial resources, as set out in good management practice as well as specific guidelines or instructions issued by the DoJ.

During the financial year 2013-14 I was directly accountable to the Accounting Officer of the DoJ. The responsibilities of an Accounting Officer are set out in Chapter 3 of MPMNI.

### **The Purpose of the Governance Framework**

The term Corporate Governance describes the way in which organisations are directed and controlled. The purpose of a Corporate Governance framework is to facilitate accountability and responsibility for the effective and efficient delivery of an organisations statutory responsibilities or aims and objectives. The Corporate Governance framework provides for the arrangements to ensure that the Trust delivers on its objectives and that it does so in accordance with the requirements placed on all publicly funded bodies regarding the stewardship of resources.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

The governance framework comprises the systems, processes and service values by which the PRRT is controlled and directed. This enables the PRRT to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate and cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of organisational policies, aims and objectives, to evaluate the likelihood of risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the PRRT during the year ended 31 March 2014 and up to the date of approval of the Annual Report and Accounts and accords with the guidance contained within MPMNI.

### **Governance Framework**

The PRRT recognises the importance of appropriate governance and oversight and has the appropriate organisational structure and supporting robust systems in place to ensure effective governance.

There are a number of key organisational roles and structures defined within the corporate governance arrangements – these are the Board of Directors, the Chief Executive as Accounting Officer, the Senior Management Team (SMT) and the Audit Committee.

### **The Board**

The Board is responsible for setting policy, approving the business strategy, agreeing the operating budget, and overseeing corporate governance. The Chairman is responsible to the Minister of the DoJ. The Chairman is responsible for ensuring that the PRRT's policies and actions support the wider strategic policies of the Department and that the PRRT affairs are conducted with probity.

The Chairman shares corporate responsibilities with other Board members, in particular ensuring that the PRRT fulfils the aims and objectives as agreed with the DoJ and approved by the Minister.

Governance is delivered through the following Board structures:

- Board meetings (bi-monthly)
- Operations and Finance Committee meetings (bi-monthly)
- Audit Committee meetings (a minimum of four meetings per annum)

The attendance of the Directors at the Board and Committee meetings for the year are as follows:

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

### Director Attendance record

|            | <b>BOARD MEETINGS</b>      |                        | <b>OPERATIONS &amp; FINANCE CTTEE</b> |                        | <b>AUDIT CTTEE</b>         |                        |
|------------|----------------------------|------------------------|---------------------------------------|------------------------|----------------------------|------------------------|
|            | <i>Total of 7 Meetings</i> | <i>Attendance Rate</i> | <i>Total of 5 Meetings</i>            | <i>Attendance Rate</i> | <i>Total of 5 Meetings</i> | <i>Attendance Rate</i> |
| B.Brown    | 7                          | 100%                   | 3                                     | 60%                    | 1                          | 20%                    |
| J.D'Arcy   | 3                          | 43%                    | 2                                     | 40%                    | 2                          | 40%                    |
| C.Dixon    | 4                          | 57%                    | 2                                     | 40%                    |                            |                        |
| S.Hamill   | 7                          | 100%                   |                                       |                        |                            |                        |
| T Hanna    | 5                          | 71%                    |                                       |                        | 5                          | 100%                   |
| T.Lewis    | 6                          | 86%                    | 3                                     | 60%                    |                            |                        |
| D.McClurg  | 6                          | 86%                    | 4                                     | 80%                    | 4                          | 80%                    |
| A.Sherrard | 5                          | 71%                    | 4                                     | 80%                    | 5                          | 100%                   |
| T.Spence   | 3                          | 43%                    |                                       |                        |                            |                        |
| J.Stewart  | 0                          | 0%                     |                                       |                        |                            |                        |
| R.Walker   | 7                          | 100%                   | 4                                     | 80%                    | 5                          | 100%                   |
| D.Watkins  | 5                          | 71%                    | 3                                     | 60%                    |                            |                        |

### **The Chief Executive, as Accounting Officer**

As Chief Executive, I have been designated as Accounting Officer for the PRRT by the Departmental Accounting Officer of the DoJ. As the Chief Executive and Accounting Officer I am personally responsible for safeguarding the public funds for which I have charge and for ensuring the propriety and regularity in the handling of these public funds and for the day to day operations and management of the PRRT. I am also responsible for ensuring the effective and efficient achievement of the objectives and targets set out in the annual Business Plan in support of the PRRT strategic direction.

As the Chief Executive, I am responsible to the Board for executing its policy, providing leadership, stakeholder management, and clinical and corporate governance. I manage the services with a dedicated SMT accountable to me.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

### **The Senior Management Team (SMT)**

The SMT supports the Board and me, as Chief Executive, by providing collective leadership and taking ownership of the PRRT performance. The SMT oversees how the PRRT plans, sets, communicates and monitors its corporate objectives.

The Business Planning system incorporates the key PRRT objectives and the associated targets required to meet those objectives. The SMT reports on these targets formally on a monthly basis to me and I in turn report to the Board / Committees.

The PRRT has developed systems of internal controls and risk management in line with best practice guidelines, and senior managers have the appropriate and relevant professional skills and competences to provide the assurance that these controls are operating efficiently and effectively

### **The Audit Committee**

As Accounting Officer, I am supported in my role by the Audit Committee. The Audit Committee comprises a Non-Executive Independent Chairman, a number of other Directors, together with observers from Sponsor Branch and internal and external audit.

The Chair, along with other Board Members on the Committee, are remunerated for their overall role as Directors of the Board. Audit Committee meetings are convened on a quarterly basis and, the Chief Executive and the Head of Finance normally attend each meeting. The Audit Committee has an established Terms of Reference. The responsibilities of the Audit Committee include advising the Accounting Officer on the strategic processes for risk, control and governance within the PRRT.

A key factor in good governance is the work of external and internal audit which helps inform management in terms of the identification of weaknesses which may indicate the existence of unknown risks. Audit also ensures that controls in place to manage known risks are operating effectively.

### **Internal Audit**

The Internal Audit work programme is set within a strategic internal audit plan which is designed to give assurance to the Accounting Officer on the effectiveness and efficiency of the operation of the key systems and controls which have been put in place. The Audit Committee approves an Audit Plan on an annual basis and considers the adequacy of the management responses to findings and recommendations contained in audits carried out. The Head of Internal Audit also produces an annual Assurance Report which provides assurances to me as Accounting Officer as to the effectiveness of the Office's overall systems of control. DoJ Internal Audit provided the Internal Audit Service for the PRRT for the year ended 31 March 2014.

### **External Audit**

The External Auditor of the PRRT for 2013-14 is the Northern Ireland Audit Office (NIAO). They undertook an audit of the consolidated financial statements of the PRRT and the consolidated accounts and provided a Certificate for inclusion in the Annual Report and Accounts. The External Auditors also provide a Report to those Charged with Governance on an annual basis which makes recommendations where matters have come to the attention of the External Auditors during the course of their audit.

### **Sponsor Branch (DoJ)**

The PRRT operates under a Management Statement / Financial Memorandum (MSFM) with the DoJ. The MSFM sets out the broad framework within which the PRRT operates. As part of the sponsorship arrangements, I meet formally on a quarterly basis with the Head of the

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

Sponsor Branch within the DoJ to discuss the PRRT performance against the objectives and targets set out in the annual Business Plan.

The DoJ is provided with the minutes of Board and Committee meetings and is copied into financial reports and annual accounts. A Departmental representative attends the Audit Committee meetings in an observer capacity.

As an Executive NDBP of the DoJ, the PRRT complies with the '*Corporate Governance in Central Government Departments: Code of Good Practice*' to the extent that it is meaningful and relevant to do so.

### **Risk Management and Internal Control**

A Risk Policy Framework is in place explaining the underlying approach to risk management and documenting the roles and responsibilities of the Chief Executive, Board and senior managers.

In addition, it also includes details of the monitoring and reporting arrangements. Developments in the approach to managing and reporting risk have been on-going during 2013-14, focussing on managing risk at two key levels:

1. Corporate - The Corporate Risk Register (CRR) continued to focus on the key corporate risks to the PRRT - a number of these were amended due to on-going developments throughout the year. The CRR is reviewed by the Risk Manager, the CEO, on a monthly basis. Any significant movements in risk or changes introduced which will impact on risks are reported to the Audit Committee, who in turn report to the Board. The review of risk management is a standing item on the Audit Committee agenda and risk is formally reviewed by the full Board in April and October.
2. Departmental - To support the CRR, a Departmental Risk Register (DRR) is used on an on-going basis so that the key risks for each department are aligned with departmental Business Plan objectives and targets. The ownership of each risk has been allocated to appropriate staff. The DRR is reviewed on a monthly basis at SMT meetings and any significant movements in risk will be reported to the Audit Committee.

Departmental and Corporate Risk Registers will be reviewed during 2014-15, as set out above, and will be informed by internal organisation and wider environmental scanning. This approach ensures:

- the consistent identification, assessment and prioritisation of risk with clear assignment of accountability for management;
- the implementation of measures to treat the risk;
- the appropriate escalation, monitoring and reporting to ensure information on risks, controls and progress of planned actions are made available on a timely basis;
- that managers provide appropriate assurance that risk management responsibility and processes have been discharged and that risks are being managed as intended.

The Audit Committee is responsible for monitoring the PRRT risk management and internal controls on a regular basis and met regularly during the year. This Committee receives reports from internal and external audit and, in addition, reports presented from the CEO on the risk management process.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

Risk management is incorporated into the corporate business planning and decision making processes of the organisation which provides increased assurance that significant risks will be identified, evaluated and appropriately controlled in the organisation.

In February 2013 the risk management policy of the PRRT was updated in line with best practice and is now more closely aligned with HM Treasury Guidance and DFP Policy and Framework for Risk Management 2011. A two-stage approach to risk identification and risk scoring and risk appetite has been adopted. Periodic assessment and review of the scoring of all identified risks and updating of the results will take place during the forthcoming year. This new policy was formally adopted throughout the PRRT from 1 April 2013.

### Review of Effectiveness

As Accounting Officer, I have responsibility for conducting, at least annually, a review of the effectiveness of the PRRT governance framework including the system of internal control. The review of the effectiveness is informed by the work of the SMT who have responsibility for the development and maintenance of the governance environment, the Audit Committee's annual report and also by comments made by the External Auditors, the Internal Auditors and other review agencies of the system of internal control.

The Internal Audit review for 2013-14 provided the following assurance levels for the areas audited:

| Area  | Level of Assurance  |
|---|---|
| Provision of Psychological Support Services | Substantial   |
| Provision of Physical Support Services      | Substantial   |
| Provision of Educational Support Services   | Satisfactory  |
| Procurement / Contract                      | Limited but moved to Satisfactory after a 6 month review. |

An audit implementation schedule is in place and is reviewed at SMT and at Audit Committee meetings on a regular basis.

### Internal Audit Providers

From 1 April 2013 internal audit provision moved to the DoJ Internal Audit team. This is governed by a Service Level Agreement and will comply with Public Sector Internal Audit Standards (PSIAS).

### External Audit

External audit dates for the year 2013-14 accounts have been agreed. The PRRT and Futures are audited by the Northern Ireland Audit Office (NIAO). Futures will only require an audit for a time limited period as it will be struck off in the financial year 2014-15.

### Information Assurance

There are increasing challenges year on year in the area of information assurance, particularly in light of ongoing information assurance failures within the wider public sector over the past number of years. In response to this, data handling and information security has been considered and managed as a separate risk within the organisational risk register.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Annual Report 2013-14

---

Although I am satisfied that the existing controls within the PRRT provide adequate assurance in this area, there was a data breach during the year which was limited to one client. Systems and procedures have been reviewed and changes made to ensure that a similar incident is unlikely to occur.

My review of the effectiveness of the PRRT system of internal control is therefore informed by:

- The work of the Internal Auditors: during the year DoJ Internal Audit team provided an internal audit service in accordance with the standards defined in the Government Internal Audit Manual. They submitted regular reports together with recommendations for improvement.
- Operations and Finance Committee: ensures that the PRRT is meeting its key objectives and targets as set out in the Business Plan.
- SMT: the SMT meets on a weekly basis and reviews the on-going operation of PRRT. Monthly standing item on Finance, Business Planning, Risk Management and Audit inform me on a timely basis of the effectiveness of the system of internal control.
- Quarterly governance meetings with DoJ Sponsor Branch representatives.
- Comments made by External Auditor in the Report to those charged with Governance.
- Completed Board evaluation questionnaire, issued by the National Audit Office (NAO).
- Completed Audit Committee evaluation questionnaire entitled "*Audit Committee Best Practice Checklist – Short Version*" issued by DoJ Internal Auditors.

### Significant Internal Control Issues Identified

#### Internal Audit

The Internal Audit highlighted areas of non-compliance in terms of procurement and initially awarded a limited level of assurance. A significant amount of work in the field of procurement was carried out between August 2013 and January 2014. The Internal Audit team carried out a follow up audit and the PRRT assurance level for procurement was raised to "satisfactory". The Audit Committee is content that the PRRT is meeting procurement guidance and regulations.

#### External Audit

The Annual Report and Accounts for the year ended 31 March 2013 were signed off by the Board on 12 December 2013 and forwarded to the NIAO for signing. However, the Comptroller and Auditor General (C&AG) initiated further work in respect of procurement. A separate report was included in the financial statements in regard to procurement. This delayed the filing of the accounts for which Companies House issued penalty notices to the PRRT and another one for Futures. The accounts were filed on 19 February 2014 and were subsequently rejected by Companies House shortly after this. There were minor adjustments required to the wording in regard to the financial statements. This was quickly rectified and the accounts were filed again on 14 March 2014.

The NIAO report to those charged with governance highlighted two issues:

1. That the corporation tax return for Futures had been approved and submitted to HMRC prior to the completion of the audit.
2. That the register of interests is not required to be completed by the senior management team, which does not cover all the requirements of IAS24.



**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Annual Report 2013-14**

---

Both of these points have been noted and action taken to rectify for the 2013-14 accounting period.

**Accounting Officer Statement on Assurance**

In providing my statement on assurance I am informed by assurance given to me from a range of sources. These include the Annual Internal Audit Assurance Report which encompasses the satisfactory assurance in relation to risk management and corporate governance, the Audit Committee Annual Report and the system of risk management within the PRRT. I consider that the overall system of controls, governance and risk management are adequate and operate effectively to provide satisfactory assurance to me in relation to the ability of the PRRT to effectively and efficiently meet its objectives.



---

**Eddie Gaw**  
**Accounting Officer**

Date:

2/6/14

**THE POLICE REHABILITATION AND  
RETRAINING TRUST**

**CONSOLIDATED FINANCIAL STATEMENTS**

**31 MARCH 2014**

**Parent Company Registration Number NI035737**

# THE POLICE REHABILITATION AND RETRAINING TRUST

Officers and Professional Advisers

Year ended 31 March 2014

---

|                                |   |
|--------------------------------|---|
| <b>The Board of Directors</b>  | Mr S Hamill (Chair)<br>Mr W Brown<br>Mrs J D'Arcy<br>Mrs C Dixon<br>Mr E Hanna<br>Mr T Lewis<br>Mr D McClurg<br>Mr A Sherrard<br>Mr T Spence<br>Mr J Stewart<br>Mr R Walker<br>Mr D J Watkins |
| <b>Secretary</b>               | Mr E Hanna  |
| <b>Registered Office</b>       | Maryfield Complex<br>100 Belfast Road<br>Holywood<br>Co. Down<br>BT18 9QY   |
| <b>Auditor</b>                 | Comptroller and Auditor General for NI<br>Northern Ireland Audit Office<br>106 University Street<br>Belfast<br>BT1 5BN  |
| <b>Bankers</b>                 | First Trust Bank<br>31/35 High Street<br>Belfast<br>BT1 2AL   |
| <b>Solicitors</b>              | Edwards and Co.<br>28 Hill Street<br>Belfast<br>BT1 2LA   |
| <b>Subsidiary Undertakings</b> | Futures (NI) Limited (100% subsidiary)  |
| <b>Registration Number</b>     | NI035737  |

## **POLICE REHABILITATION AND RETRAINING TRUST**

### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

I certify that I have audited the financial statements of the Police Rehabilitation and Retraining Trust for the year ended 31 March 2014 under the Companies (Public Sector Audit) Order (Northern Ireland) 2013. These comprise the Consolidated Statement of Comprehensive Net Expenditure, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. 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 I have also audited the information in the Remuneration Report that is described in that report as having been audited.

#### **Respective responsibilities of the directors and auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the directors 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, certify and report on the financial statements in accordance with the Companies (Public Sector Audit) Order (Northern Ireland) 2013. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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

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

#### **Opinion on Regularity**

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

## **Opinion on financial statements**

In my opinion:

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

## **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual; and
- the information given in the Strategic Report and Directors' 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 which I report to you if, in my opinion:

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

## **Report**

I have no observations to make on these financial statements.

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

11 July 2014

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Consolidated Statement of Comprehensive Net Expenditure

Year ended 31 March 2014

|  | Note | 2014<br>£          | 2013<br>£          |
|--|------|--------------------|--------------------|
| <b>Expenditure</b>   |      |                    |                    |
| Direct costs   |      | (1,858,233)        | (2,010,652)        |
| Staff costs  |      | (478,407)          | (505,004)          |
| Depreciation   |      | (50,485)           | (50,067)           |
| Other expenditures   |      | (507,371)          | (526,331)          |
|  |      | <u>(2,894,496)</u> | <u>(3,092,054)</u> |
| <b>Income</b>  |      |                    |                    |
| Grant in aid   |      | 2,153,183          | 2,532,699          |
| Income from activities   | 2    | 547,073            | 661,760            |
|  |      | <u>2,700,256</u>   | <u>3,194,459</u>   |
| <b>Net (expenditure) /income</b>   | 3    | (194,240)          | 102,405            |
| Income tax expense   | 7    | <u>(3,240)</u>     | <u>(34,309)</u>    |
| <b>Total Comprehensive Net<br/>(Expenditure)/Income for the year ended 31<br/>March 2014</b> |      | <u>(197,480)</u>   | <u>68,096</u>      |

The activities of the parent company, PRRT, are classed as continuing. The activities of the subsidiary undertaking, Futures (NI) Limited, ceased trading on 31 March 2013 and the company was wound up during 2013-14 and will be dissolved in 2014-15.

The PRRT has no recognised gains or losses other than the results for the years as set out above.

The notes on pages 44 to 58 form part of these Consolidated Financial Statements.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Consolidated Balance Sheet

Year ended 31 March 2014

|  |      | 2014             |           | 2013             |
|--|------|------------------|-----------|------------------|
|  | Note | £                |           | (Restated)       |
|  |      |                  |           | £                |
| <b>Non-current assets:</b>                   |      |                  |           |                  |
| Property, plant and equipment                | 10   | 1,068,249        | 1,115,332 |                  |
| Intangible assets                            | 11   | 11,595           | 3,159     |                  |
| <b>Total non-current assets</b>              |      | <b>1,079,844</b> |           | <b>1,118,491</b> |
| <b>Current assets:</b>                       |      |                  |           |                  |
| Trade and other receivables                  | 12   | 83,041           | 103,267   |                  |
| Cash and cash equivalents                    | 13   | 345,026          | 464,241   |                  |
| <b>Total current assets</b>                  |      | <b>428,067</b>   |           | <b>567,508</b>   |
| <b>Total assets</b>                          |      | <b>1,507,911</b> |           | <b>1,685,999</b> |
| <b>Current liabilities:</b>                  |      |                  |           |                  |
| Trade and other payables                     | 14   | (374,736)        | (355,344) |                  |
| <b>Total current liabilities</b>             |      | <b>(374,736)</b> |           | <b>(355,344)</b> |
| <b>Total assets less current liabilities</b> |      | <b>1,133,175</b> |           | <b>1,330,655</b> |
| <b>Non-current liabilities:</b>              |      |                  |           |                  |
|  |      | -                |           | -                |
| <b>Total assets less liabilities</b>         |      | <b>1,133,175</b> |           | <b>1,330,655</b> |
| <b>Taxpayer's Equity</b>                     |      |                  |           |                  |
| General Reserve                              | 20   | 1,133,175        | 1,330,655 |                  |
|  |      | <b>1,133,175</b> |           | <b>1,330,655</b> |

It is the view of the Board that an exemption from the audit requirements of Part 16 of the Companies Act 2006 is available under section 482 of that Act, since the company meets the Department of Finance and Personnel's definition of a non-profit making company and is subject to a public sector audit under the Companies (Public Sector Audit)(Northern Ireland) Order 2013, being an order issued under Article 5(3) of the Audit and Accountability (Northern Ireland) Order 2003. The Board therefore claims this exemption.

# THE POLICE REHABILITATION AND RETRAINING TRUST

Consolidated Balance Sheet

Year ended 31 March 2014

---

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

The notes on pages 44 to 58 form part of these Consolidated Financial Statements.

The Consolidated Financial Statements have been approved by the Board of Directors and are signed on 3rd June 2014 on its behalf by:



---

**Mr S Hamill**

**Chairman**

**Parent Company Registration Number: NI035737**



# THE POLICE REHABILITATION AND RETRAINING TRUST

## Parent Company Balance Sheet

Year ended 31 March 2014

|  | Note | 2014<br>£        | 2013<br>(Restated)<br>£ |
|--|------|------------------|-------------------------|
| <b>Non-current assets:</b>                   |      |                  |                         |
| Property, plant and equipment                | 10   | 1,068,249        | 1,115,332               |
| Intangible assets                            | 11   | 11,595           | 3,159                   |
| <b>Total non-current assets</b>              |      | <b>1,079,844</b> | <b>1,118,491</b>        |
| <b>Current assets:</b>                       |      |                  |                         |
| Trade and other receivables                  | 12   | 83,041           | 95,734                  |
| Cash and cash equivalents                    | 13   | 345,025          | 438,640                 |
| <b>Total current assets</b>                  |      | <b>428,066</b>   | <b>534,374</b>          |
| <b>Total assets</b>                          |      | <b>1,507,910</b> | <b>1,652,865</b>        |
| <b>Current liabilities:</b>                  |      |                  |                         |
| Trade and other payables                     | 14   | (374,736)        | (342,043)               |
| <b>Total current liabilities</b>             |      | <b>(374,736)</b> | <b>(342,043)</b>        |
| <b>Total assets less current liabilities</b> |      | <b>1,133,174</b> | <b>1,310,822</b>        |
| <b>Non-current liabilities:</b>              |      |                  |                         |
|  |      | -                | -                       |
| <b>Total assets less liabilities</b>         |      | <b>1,133,174</b> | <b>1,310,822</b>        |
| <b>Taxpayer's Equity</b>                     |      |                  |                         |
| General Reserve                              |      | 1,133,174        | 1,310,822               |
|  |      | <b>1,133,174</b> | <b>1,310,822</b>        |

The Consolidated Financial Statements have been approved by the Board of Directors and are signed on 3rd June 2014 on its behalf by:



Mr S Hamill  
Chairman  
Company Registration Number: NI035737

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Consolidated Statement of Cash Flows

Year ended 31 March 2014

|   |      | 2014             | 2013            |
|---|------|------------------|-----------------|
|   | Note | £                | (Restated)<br>£ |
| <b>Cash flows from operating activities</b>                               |      |                  |                 |
| Net (expenditure)/income  |      | (197,480)        | 68,096          |
| Depreciation  | 3    | 108,586          | 106,581         |
| Amortisation  | 3    | 8,956            | 41,794          |
| Loss on Disposal of Fixed Assets  | 10   | 48               | 997             |
| Decrease/(Increase) in trade and other receivables                        | 12   | 20,226           | (18,171)        |
| Increase/(decrease) in trade and other payables                           | 14   | 19,392           | (129,988)       |
| <b>Net cash outflow from operating activities</b>                         |      | <b>(40,272)</b>  | <b>69,309</b>   |
| <b>Cash flows from investing activities</b>                               |      |                  |                 |
| Purchase of property and equipment  | 10   | (61,551)         | (42,820)        |
| Purchase of intangible assets   | 11   | (17,392)         | -               |
| <b>Net cash outflow from investing activities</b>                         |      | <b>(78,943)</b>  | <b>(42,820)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents in the period</b> |      | <b>(119,215)</b> | <b>26,489</b>   |
| <b>Cash and cash equivalents at the beginning of the period</b>           | 13   | <b>464,241</b>   | <b>437,752</b>  |
| <b>Cash and cash equivalents at the end of the period</b>                 | 13   | <b>345,026</b>   | <b>464,241</b>  |

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Consolidated Statement of Changes in Taxpayers' Equity Year ended 31 March 2014

---

|   | <b>General<br/>Reserve</b> | <b>Total<br/>Taxpayers'<br/>Equity</b> |
|---|----------------------------|--|
| <b>Balance at 1 April 2013</b>              | <u>1,262,559</u>           | <u>1,262,559</u>                       |
| Comprehensive Income for the year           | <u>68,096</u>              | <u>68,096</u>                          |
| <b>Balance at 31 March 2013</b>             | <u>1,330,655</u>           | <u>1,330,655</u>                       |
| <b>Changes in Taxpayers' Equity 2013-14</b> |                            |  |
| Comprehensive Expenditure for the year      | <u>(197,480)</u>           | <u>(194,240)</u>                       |
| <b>Balance at 31 March 2014</b>             | <u>1,133,175</u>           | <u>1,136,415</u>                       |

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Notes forming part of the Consolidated Financial Statements

Year ended 31 March 2014

---

### 1. Accounting policies

#### Basis of accounting

The Consolidated Financial Statements have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and interpreted by the 2013-2014 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM comply with IFRS as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the PRRT for the purpose of giving a true and fair view has been selected. The particular policies adopted by the PRRT are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### Going Concern

The Consolidated Financial Statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon continued support of funders. The DoJ has confirmed its funding of PRRT for the year and it has set the PRRT challenging efficiency savings targets. The Board has identified the areas in which it can make these cost savings and have put appropriate measures in place to achieve them.

The legal status of PRRT is likely to be changed in the forthcoming year from that of a company limited by guarantee to an Executive Non Departmental Government Body. This will be a change in legal status and does not affect the PRRT as a going concern.

#### Consolidation

The consolidated financial statements incorporate the financial statements of The Police Rehabilitation and Retaining Trust and its 100% subsidiary undertaking, the financial statements of which are all made up to 31 March 2014.

#### Prior year adjustment

The PRRT did not correctly apply the requirements of IAS 38: Intangible Assets in the prior year. This standard has now been applied for all subsequent periods and the financial statements retrospectively restated as if the standard had always been applied. In preparing the financial statements in accordance with IAS 38 there was no financial impact to the Statement of Comprehensive Net Expenditure and no change to Taxpayers' Equity. The Consolidated and Parent Company Balance Sheets have been restated to show the categorisation of property, plant and equipment as intangible for the current and two prior years. The impact of this is a transfer from PPE to Intangible Assets is shown in note 9.

#### Impending application of newly issued accounting standards not yet effective

Certain new standards, interpretations and amendments to existing standards have been published that are mandatory for accounting periods beginning on or after 1 April 2014 but which have not been adopted early. The PRRT considers that these standards are not relevant to its operations and are unlikely to have a significant impact on the consolidated financial statements in the period of the initial application.

# THE POLICE REHABILITATION AND RETRAINING TRUST

Notes forming part of the Consolidated Financial Statements continued

Year ended 31 March 2014

---

## Critical accounting estimates

The Company prepares its consolidated financial statements in accordance with the FReM, the application of which often requires judgments to be made by management when formulating the Company's financial position and results. Under IFRS, the directors are required to adopt those accounting policies most appropriate to the Company's circumstances for the purpose of presenting fairly the Company's financial position, financial performance and cash flows. In determining and applying accounting policies, judgment is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Company should it be later be determined that a different choice would be more appropriate. Management considers the accounting estimate and assumptions discussed below to be its critical accounting estimates and provides an explanation accordingly. Management has discussed its critical accounting estimates and associated disclosures with the Company's Audit Committee.

## Income

Income included in the accounts represents amounts invoiced in respect of services provided during the year exclusive of VAT.

## Grant-in-aid and Government grants

Grant-in-aid is treated as a contribution from the Sponsoring Department to finance the needs of the PRRT and allow it to meet its statutory obligations. All government grants are recognised as income and included along with Grant-in-Aid in the Statement of Comprehensive Net Expenditure. The treatment of Government Grants under the Financial Reporting Manual (FReM) is to credit the Grant-in-Aid directly to the General Reserve.

## Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

## Intangible Assets

Intangible assets are stated at historical cost less accumulated amortisation and accumulated impairments. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

## Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

|                       |                       |               |
|-----------------------|-----------------------|---------------|
| Building Improvements | - 4%                  | Straight Line |
| Plant and Machinery   | - 25%                 | Straight Line |
| Fixtures and Fittings | - 20%                 | Straight Line |
| Computer Equipment    | - 33 <sup>1/3</sup> % | Straight Line |

## Amortisation

Amortisation is calculated to write off the cost of the asset, less its estimated residual value, over the useful life of that asset as follows:

|          |                       |               |
|----------|-----------------------|---------------|
| Software | - 33 <sup>1/3</sup> % | Straight Line |
|----------|-----------------------|---------------|

# THE POLICE REHABILITATION AND RETRAINING TRUST

Notes forming part of the Consolidated Financial Statements continued

Year ended 31 March 2014

## Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income on a straight line basis over the period of the lease.

## Pension costs

The PRRT operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the PRRT. The annual contributions payable are charged to the Consolidated Statement of Comprehensive Net Expenditure.

## Taxation

Income tax expense represents the sum of the current tax and deferred tax.

The charge for current tax is based on the result for the year adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the Consolidated Statement of Comprehensive Net Expenditure unless the item to which the tax relates was recognised outside the income statement being other comprehensive income or equity. The tax associated with such an item is also recognised in other comprehensive income or equity respectively.

## 2. Consolidated Income

An analysis of income is given below:

|                          | 2014<br>£      | 2013<br>£      |
|--------------------------|----------------|----------------|
| Continuing operations:   |                |                |
| PRRT                     | 547,062        | 639,310        |
| Discontinued operations: |                |                |
| Futures (NI) Ltd         | 11             | 22,450         |
| Total Revenue            | <u>547,073</u> | <u>661,760</u> |

## 3. Consolidated Net Income

Net income is stated after charging:

|   | 2014<br>£      | 2013<br>(Restated)<br>£ |
|---|----------------|-------------------------|
| Depreciation of owned plant and equipment   | 108,586        | 106,581                 |
| Amorisation of intangible assets            | 8,956          | 41,794                  |
| Loss on disposal of plant and equipment     | 48             | 997                     |
| Operating lease cost of plant and equipment | 25,751         | 26,873                  |
| Auditor's remuneration                      | 18,000         | 19,495                  |
| Fines and penalties                         | 750            | -                       |
|   | <u>167,070</u> | <u>196,740</u>          |

# THE POLICE REHABILITATION AND RETRAINING TRUST

Notes forming part of the Consolidated Financial Statements continued  
Year ended 31 March 2014

---

## 4. Consolidated Employees

The staff breakdown for the PRRT at 31 March 2014 analysed by category was as follows:

|                      |   |           |
|----------------------|---|-----------|
| Physiotherapy        | 4 | (2013: 5) |
| Psychology           | 8 | (2013: 8) |
| Careers              | 4 | (2013: 4) |
| Rehabilitation Dept  | 5 | (2013: 5) |
| Training             | 5 | (2013: 4) |
| Business Development | 1 | (2013: 1) |
| Management and admin | 5 | (2013: 5) |
| Corporate Services   | 2 | (2013: 2) |
| Finance              | 4 | (2013: 5) |
| Maintenance          | 1 | (2013: 1) |
| Housekeeping         | 4 | (2013: 4) |
| Full Time Reserve    | 1 | (2013: 3) |
| NI Prison Service    | 1 | (2013: 1) |

The majority of staff were considered to be permanently employed at the year end.

## 5. Particulars of Consolidated employees

The average number of persons employed by the PRRT during the financial year, including the Directors, amounted to 58 (2013: 62). The majority of staff were considered to be permanently employed at the year end.

The aggregate payroll costs of the above were:

|                       |                                  |                   | 2014<br>£        | 2013<br>£        |
|-----------------------|----------------------------------|-------------------|------------------|------------------|
|                       | Permanently<br>employed<br>staff | Other -<br>Agency | Total            | Total            |
| Wages and salaries    | 1,251,090                        | 12,612            | 1,263,702        | 1,272,196        |
| Social security costs | 94,780                           | -                 | 94,780           | 122,549          |
| Other pension costs   | 73,130                           | -                 | 73,130           | 80,628           |
|                       | <u>1,419,000</u>                 | <u>12,612</u>     | <u>1,431,612</u> | <u>1,475,373</u> |

## 6. Consolidated Directors' remuneration

The Directors' aggregate remuneration in respect of qualifying services was:

|                         | 2014<br>£     | 2013<br>£     |
|-------------------------|---------------|---------------|
| Remuneration receivable | <u>55,000</u> | <u>57,500</u> |

**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Notes forming part of the Consolidated Financial Statements continued**  
**Year ended 31 March 2014**

---

**7. Consolidated Tax Expense**

**(a) Analysis of charge in the year**

|   | <b>2014</b>         | 2013                 |
|---|---------------------|----------------------|
|   | <b>£</b>            | £                    |
| Current tax   |                     |                      |
| UK Corporation tax based on the results for the year at 20% (2013: 24%) | <b>3,240</b>        | 47,257               |
| Utilisation of losses   | -                   | (7,120)              |
| Marginal Rate of Tax Relief claimed                                     | -                   | (5,828)              |
| Total current tax   | <u><b>3,240</b></u> | <u><b>34,309</b></u> |

**(b) Factors affecting current tax charge**

The tax assessed on the income on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2013: 24%).

|   | <b>2014</b>             | 2013                 |
|---|-------------------------|----------------------|
|   | <b>£</b>                | £                    |
| (Expenditure)/Income on ordinary activities before taxation | <u><b>(194,240)</b></u> | <u>102,405</u>       |
| (Expenditure)/Income on ordinary activities by rate of tax  | <b>(38,848)</b>         | 24,577               |
| Small company rate relief                                   | -                       | (159)                |
| Unrelieved tax losses                                       | <b>(921)</b>            | (7,120)              |
| Marginal Tax relief   | -                       | (5,828)              |
| Grant funded activities not subject to tax                  | <b>43,009</b>           | 22,839               |
| Total current tax (note 7(a))                               | <u><b>3,240</b></u>     | <u><b>34,309</b></u> |



**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Notes forming part of the Consolidated Financial Statements continued**  
**Year ended 31 March 2014**

**8. Consolidated Investments – Subsidiary undertakings**

There is 1 ordinary share in the company listed below:

|                                | <b>Country of<br/>Incorporation</b> | <b>Holding</b>     | <b>Proportion of<br/>voting rights<br/>and shares<br/>held</b> | <b>Nature of business</b>                         |
|--------------------------------|-------------------------------------|--------------------|--|---|
| Futures (NI)<br>Limited        | Northern<br>Ireland                 | Ordinary<br>Shares | 100%   | Provision of training and<br>consultancy services |
|                                |                                     |                    | <b>2014</b>  | <b>2013</b>                                       |
|                                |                                     |                    | <b>£</b>   | <b>£</b>  |
| Aggregate capital and reserves |                                     |                    | 1  | 18,833  |
| Profit and (loss) for the year |                                     |                    | (681)  | 3,970   |

Futures still exists as a company as at 31 March 2014. However the application for strike off has been made and accepted by Companies House. It is expected that by June 2014 the company will be dissolved. In December 2013 the closing reserves of the company were paid over to the PRRT following a decision to strike-off the company. The net reserves amounted to £19,151.

**9. Correction of Prior Period Error**

Items of Plant and Equipment were not correctly classified as Intangible Assets in accordance with applying IAS 38 Intangible Assets. This standard has been applied retrospectively and the effect of this on the Consolidated Balance Sheet is:

|                              | <b>Computer<br/>Equipment<br/>£</b> | <b>2012<br/>Intangible<br/>Assets<br/>£</b> | <b>Computer<br/>Equipment<br/>£</b> | <b>2013<br/>Intangible<br/>Assets<br/>£</b> |
|------------------------------|-------------------------------------|---|-------------------------------------|---|
| <b>Cost</b>                  |                                     |   |                                     |   |
| At 1 April                   | 475,675                             | -   | 299,435                             | -   |
| Transfer                     | (155,428)                           | 155,428                                     | (155,428)                           | 155,428                                     |
| <b>At 1 April - restated</b> | <b>320,247</b>                      | <b>155,428</b>                              | <b>144,007</b>                      | <b>155,428</b>                              |
| <b>Depreciation</b>          |                                     |   |                                     |   |
| At 1 April                   | 403,900                             | -   | 263,513                             | -   |
| Transfer                     | (110,475)                           | 110,475                                     | (152,269)                           | 152,269                                     |
| <b>At 1 April - restated</b> | <b>293,425</b>                      | <b>110,475</b>                              | <b>111,244</b>                      | <b>152,269</b>                              |
| <b>Net book value</b>        | <b>26,822</b>                       | <b>44,953</b>                               | <b>32,763</b>                       | <b>3,159</b>                                |

**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Notes forming part of the Consolidated Financial Statements continued**  
**Year ended 31 March 2014**

**10. Consolidated and Parent Property, Plant and Equipment**

|                                    | Leasehold<br>Improvements<br>£ | Plant &<br>Machinery<br>£ | Fixtures &<br>Fittings<br>£ | Computer<br>Equipment<br>£ | Total<br>£              |
|------------------------------------|--------------------------------|---------------------------|-----------------------------|----------------------------|-------------------------|
| <b>Cost</b>                        |                                |                           |                             |                            |                         |
| At 1 April 2013 - restated         | 1,556,304                      | 204,020                   | 324,652                     | 144,007                    | 2,228,983               |
| Additions                          | 5,400                          | 1,621                     | 35,950                      | 18,580                     | 61,551                  |
| Disposals                          | -                              | -                         | -                           | (34,286)                   | (34,286)                |
| <b>At 31 March 2014</b>            | <b><u>1,561,704</u></b>        | <b><u>205,641</u></b>     | <b><u>360,602</u></b>       | <b><u>128,301</u></b>      | <b><u>2,256,248</u></b> |
| <b>Depreciation</b>                |                                |                           |                             |                            |                         |
| At 1 April 2013 -restated          | 491,386                        | 201,702                   | 309,319                     | 111,244                    | 1,113,651               |
| Charge for the year                | 62,469                         | 2,723                     | 15,466                      | 27,928                     | 108,586                 |
| On Disposal                        | -                              | -                         | -                           | (34,238)                   | (34,238)                |
| <b>At 31 March 2014</b>            | <b><u>553,855</u></b>          | <b><u>204,425</u></b>     | <b><u>324,785</u></b>       | <b><u>104,934</u></b>      | <b><u>1,187,999</u></b> |
| <b>Net book value</b>              |                                |                           |                             |                            |                         |
| <b>At 31 March 2014</b>            | <b><u>1,007,849</u></b>        | <b><u>1,216</u></b>       | <b><u>35,817</u></b>        | <b><u>23,367</u></b>       | <b><u>1,068,249</u></b> |
| At 31 March 2013 - restated        | <u>1,064,918</u>               | <u>2,318</u>              | <u>15,333</u>               | <u>32,763</u>              | <u>1,115,332</u>        |
| <b>At 31 March 2013 - restated</b> |                                |                           |                             |                            |                         |
|                                    | Leasehold<br>Improvements<br>£ | Plant &<br>Machinery<br>£ | Fixtures &<br>Fittings<br>£ | Computer<br>Equipment<br>£ | Total<br>£              |
| <b>Cost</b>                        |                                |                           |                             |                            |                         |
| At 1 April 2012 - restated         | 1,553,347                      | 204,020                   | 317,724                     | 320,247                    | 2,395,338               |
| Additions                          | 2,957                          | -                         | 6,928                       | 32,935                     | 42,820                  |
| Disposals                          | -                              | -                         | -                           | (209,175)                  | (209,175)               |
| <b>At 31 March 2013 - restated</b> | <b><u>1,556,304</u></b>        | <b><u>204,020</u></b>     | <b><u>324,652</u></b>       | <b><u>144,007</u></b>      | <b><u>2,228,983</u></b> |
| <b>Depreciation</b>                |                                |                           |                             |                            |                         |
| At 1 April 2012 - restated         | 429,134                        | 198,136                   | 294,553                     | 293,425                    | 1,215,248               |
| Charge for the year                | 62,252                         | 3,566                     | 14,766                      | 25,997                     | 106,581                 |
| On Disposal                        | -                              | -                         | -                           | (208,178)                  | (208,178)               |
| <b>At 31 March 2013 - restated</b> | <b><u>491,386</u></b>          | <b><u>201,702</u></b>     | <b><u>309,319</u></b>       | <b><u>111,244</u></b>      | <b><u>1,113,651</u></b> |
| <b>Net book value</b>              |                                |                           |                             |                            |                         |
| <b>At 31 March 2013 - restated</b> | <b><u>1,064,918</u></b>        | <b><u>2,318</u></b>       | <b><u>15,333</u></b>        | <b><u>32,763</u></b>       | <b><u>1,115,332</u></b> |
| At 31 March 2012 - restated        | <u>1,124,213</u>               | <u>5,884</u>              | <u>23,171</u>               | <u>26,822</u>              | <u>1,180,090</u>        |

**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Notes forming part of the Consolidated Financial Statements continued**  
**Year ended 31 March 2014**

---

**11. Consolidated Intangible Assets**

|                         | Software<br>£  | Website<br>£ | Total<br>£     |
|-------------------------|----------------|--------------|----------------|
| <b>Cost</b>             |                |              |                |
| At 1 April 2013         | 148,632        | 6,796        | 155,428        |
| Additions               | 17,392         | -            | 17,392         |
| Disposals               | -              | (6,796)      | (6,796)        |
| <b>At 31 March 2014</b> | <b>166,024</b> | <b>-</b>     | <b>166,024</b> |
| <b>Amortisation</b>     |                |              |                |
| At 1 April 2013         | 145,473        | 6,796        | 152,269        |
| Charge for the year     | 8,956          | -            | 8,956          |
| On Disposal             | -              | (6,796)      | (6,796)        |
| <b>At 31 March 2014</b> | <b>154,429</b> | <b>-</b>     | <b>154,429</b> |
| <b>Net book value</b>   |                |              |                |
| <b>At 31 March 2014</b> | <b>11,595</b>  | <b>-</b>     | <b>11,595</b>  |
| At 31 March 2013        | 3,159          | -            | 3,159          |

|                         | Software<br>£  | Website<br>£ | Total<br>£     |
|-------------------------|----------------|--------------|----------------|
| <b>Cost</b>             |                |              |                |
| At 1 April 2012         | 148,632        | 6,796        | 155,428        |
| Additions               | -              | -            | -              |
| Disposals               | -              | -            | -              |
| <b>At 31 March 2013</b> | <b>148,632</b> | <b>6,796</b> | <b>155,428</b> |
| <b>Amortisation</b>     |                |              |                |
| At 1 April 2012         | 103,679        | 6,796        | 110,475        |
| Charge for the year     | 41,794         | -            | 41,794         |
| On Disposal             | -              | -            | -              |
| <b>At 31 March 2013</b> | <b>145,473</b> | <b>6,796</b> | <b>152,269</b> |
| <b>Net book value</b>   |                |              |                |
| <b>At 31 March 2013</b> | <b>3,159</b>   | <b>-</b>     | <b>3,159</b>   |
| At 31 March 2012        | 44,953         | -            | 44,953         |

**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Notes forming part of the Consolidated Financial Statements continued**  
**Year ended 31 March 2014**

---

**Parent Intangible Assets**

|                         | <b>Software</b>       |
|-------------------------|-----------------------|
|                         | <b>£</b>              |
| <b>Cost</b>             |                       |
| At 1 April 2013         | 148,632               |
| Additions               | 17,392                |
| Disposals               | -                     |
| <b>At 31 March 2014</b> | <b><u>166,024</u></b> |
| <b>Amortisation</b>     |                       |
| At 1 April 2013         | 145,473               |
| Charge for the year     | 8,956                 |
| On Disposal             | -                     |
| <b>At 31 March 2014</b> | <b><u>154,429</u></b> |
| <b>Net book value</b>   |                       |
| <b>At 31 March 2014</b> | <b><u>11,595</u></b>  |
| At 31 March 2013        | <u>3,159</u>          |

|                         | <b>Software</b>       |
|-------------------------|-----------------------|
|                         | <b>£</b>              |
| <b>Cost</b>             |                       |
| At 1 April 2012         | 148,632               |
| Additions               | -                     |
| Disposals               | -                     |
| <b>At 31 March 2013</b> | <b><u>148,632</u></b> |
| <b>Amortisation</b>     |                       |
| At 1 April 2012         | 103,679               |
| Charge for the year     | 41,795                |
| On Disposal             | -                     |
| <b>At 31 March 2013</b> | <b><u>145,473</u></b> |
| <b>Net book value</b>   |                       |
| <b>At 31 March 2013</b> | <b><u>3,159</u></b>   |
| At 31 March 2012        | <u>44,953</u>         |

# THE POLICE REHABILITATION AND RETRAINING TRUST

Notes forming part of the Consolidated Financial Statements continued

Year ended 31 March 2014

## 12. Consolidated Trade receivables and other current assets

|                                | 2014          | 2013           |
|--------------------------------|---------------|----------------|
|                                | £             | £              |
| Trade receivables              | 55,524        | 66,409         |
| Other receivables              | 650           | 709            |
| Prepayments and accrued income | 26,867        | 36,149         |
|                                | <u>83,041</u> | <u>103,267</u> |

### Intra-Government Balances

|   | 2014          | 2013           |
|---|---------------|----------------|
|   | £             | £              |
| Balances with other central government bodies       | 56,278        | 56,429         |
| Balances with local authorities                     | 452           | 452            |
| Balances with NHS Bodies                            | 150           | -              |
| Balances with public corporations and trading funds | -             | -              |
| Intra-government balances                           | <u>56,880</u> | <u>56,881</u>  |
| Balances with bodies external to government         | 26,161        | 46,386         |
| Total receivables as 31 March                       | <u>83,041</u> | <u>103,267</u> |

### Parent Company Trade receivables and other current assets

|                                | 2014          | 2013          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Trade receivables              | 55,524        | 58,876        |
| Other receivables              | 650           | 709           |
| Prepayments and accrued income | 26,867        | 36,149        |
|                                | <u>83,041</u> | <u>95,734</u> |

## 13. Consolidated Cash and Cash Equivalents

|                           | 2014           | 2013           |
|---------------------------|----------------|----------------|
|                           | £              | £              |
| Cash and cash equivalents | <u>345,026</u> | <u>464,241</u> |

### Parent Company Cash and Cash Equivalents

|                           | 2014           | 2013           |
|---------------------------|----------------|----------------|
|                           | £              | £              |
| Cash and cash equivalents | <u>345,025</u> | <u>438,640</u> |

Cash and cash equivalents are all held as either cash-in-hand or as deposits with commercial banks.

# THE POLICE REHABILITATION AND RETRAINING TRUST

Notes forming part of the Consolidated Financial Statements continued

Year ended 31 March 2014

## 14. Consolidated Trade payables and other current liabilities: Amounts falling due within one year

|                                    | 2014           |                       | 2013           |                       |
|------------------------------------|----------------|-----------------------|----------------|-----------------------|
|                                    | £              | £                     | £              | £                     |
| Trade payables                     | 98,745         |                       | 61,847         |                       |
| Corporation tax                    | 3,240          |                       | 34,309         |                       |
| Other taxation and social security | -              |                       | -              |                       |
| Other payables                     | <u>115,870</u> |                       | <u>130,949</u> |                       |
|                                    |                | <b>217,855</b>        |                | <b>227,105</b>        |
| Accruals and deferred income       |                | <u>156,881</u>        |                | <u>128,239</u>        |
|                                    |                | <b><u>374,736</u></b> |                | <b><u>355,344</u></b> |

### Intra-Government Balances

|   | 2014                  | 2013                  |
|---|-----------------------|-----------------------|
|   | £                     | £                     |
| Balances with other central government bodies       | 92,775                | 99,801                |
| Balances with local authorities                     | -                     | -                     |
| Balances with NHS Bodies                            | -                     | -                     |
| Balances with public corporations and trading funds | <u>272</u>            | <u>303</u>            |
| Intra-government balances                           | <b>93,047</b>         | <b>100,104</b>        |
| Balances with bodies external to government         | <b>281,689</b>        | <b>255,240</b>        |
| Total payables as 31 March                          | <b><u>374,736</u></b> | <b><u>355,344</u></b> |

### Parent Company Trade payables and other current liabilities: Amounts falling due within one year

|                                    | 2014           |                       | 2013           |                       |
|------------------------------------|----------------|-----------------------|----------------|-----------------------|
|                                    | £              | £                     | £              | £                     |
| Trade payables                     | 66,516         |                       | 61,626         |                       |
| Corporation tax                    | 3,240          |                       | 34,309         |                       |
| Other taxation and social security | 32,229         |                       | -              |                       |
| Other payables                     | <u>115,870</u> |                       | <u>129,589</u> |                       |
|                                    |                | <b>217,855</b>        |                | <b>225,524</b>        |
| Accruals and deferred income       |                | <u>156,881</u>        |                | <u>116,519</u>        |
|                                    |                | <b><u>374,736</u></b> |                | <b><u>342,043</u></b> |

# THE POLICE REHABILITATION AND RETRAINING TRUST

Notes forming part of the Consolidated Financial Statements continued

Year ended 31 March 2014

## 15. Consolidated and Parent Company Commitments under operating leases

At 31 March 2013 there was a total future minimum lease payments under operating leases as set out below:

|   | 2014<br>£      | 2013<br>£      |
|---|----------------|----------------|
| Obligations under operating leases comprise:      |                |                |
| <b>Buildings</b>                                  |                |                |
| Not later than one year                           | 111,000        | 111,000        |
| Later than one year and not later than five years | -              | -              |
| Later than five years                             | -              | -              |
|   | <u>111,000</u> | <u>111,000</u> |
| <b>Other</b>                                      |                |                |
| Not later than one year                           | 25,751         | 25,751         |
| Later than one year and not later than five years | 14,841         | 35,249         |
| Later than five years                             | -              | -              |
|   | <u>40,592</u>  | <u>61,000</u>  |

## 16. Consolidated Capital Commitments

At 31 March 2014 authorised future capital expenditure amounted to £Nil (2013: £Nil). The PRRT has committed to spend £8,724 (2013: £Nil) on capital.

## 17. Contingencies

The PRRT has given undertakings to provide grant assistance for retraining purposes. In order to fulfil these commitments the PRRT will require the ongoing support of the funding bodies.

## 18. Related party transactions

The PRRT was under the control of the Board of Directors throughout both the current and prior year. The DoJ is regarded as a related party. During the year, the PRRT has had a number of material transactions with DoJ.

Mr D McClurg, a Director of the parent company is Vice President of the Northern Ireland Retired Police Officer's Association (NIRPOA) and an employee of Edwards & Co, Solicitors.

Mr E Hanna, a Director of the parent company is also Chairman of the Audit Committee of the NIPF.

Mr T Spence, a Director of the parent company, is also a Director of The NIPF and the Harp & Crown Credit Union. Mr T Spence is Chairman of the Police Federation for Northern Ireland and also the Police Dependants Trust. He is Vice Chairman at the RUCGC-PSNI Benevolent Fund. Mr T Spence is a Trustee of the National Police Memorial Day.

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Notes forming part of the Consolidated Financial Statements continued

Year ended 31 March 2014

Mr J Stewart, a Director of the parent company, is also a Director of HR in the PSNI. He is also a Vice Chairman and a Director of the RUC Athletic Association, a private company / charity. PSNI Occupational Health Service has a contract with PRRT to provide Clinical Services to serving officers. This is a demand led service and payments totalled £50,000 in 2013-14 (2013:£40,000).

Ms C Dixon, a Director of the parent company, is also the owner/partner of J Rodgers and Co, Solicitors.

Mr R Walker a Director of the parent company, is the owner of REW Consultancy. He was also, until the 31<sup>st</sup> January 2014, Programmer Manager for Severance Support Unit which managed the Full Time Reserve Contract on behalf of PSNI. The PRRT have an SLA to deliver this service and during the year costs relating to the FTR project totalled £195,998.

Mr W Brown, a Director of the company, is Assistant Secretary for NIRPOA. He is also Vice Chairman of the Harp and Crown credit union. Mr W Brown is the Editor of the Police Gazette.

Mr S Hamill, a Director of the parent company, is the proprietor of Hamill Consultants (Sole Trader). Mr Hamill was also the Chair of the Board of Futures (NI) Limited.

The PRRT received service charges and other charges totalling £42,091 (2013: £40,000) from NIPF and charges of £22,393 (2013: £30,382) from NIRPOA during the year. At the year-end the PRRT was owed £1,821 (2013: £20,000) from NIPF, and £553 (2013: £5,457) from NIRPOA.

The parent company received payments of £10,807 (2013: £49,212) from Futures (NI) Limited and made payments of £675 (2013: £5,886) to Futures (NI) Limited. The balance owed to the company at 31 March 2014 from Futures (NI) Limited is £Nil (2013: £4,340), whilst the amount owed to Futures (NI) Limited was £Nil (2013: £510).

No other transactions with related parties were undertaken such as are required to be disclosed under International Accounting Standard 24.

### 19. Company limited by guarantee

PRRT, the parent company, is a company limited by guarantee not having a capital divided into shares. The liability of the members of the company is limited to £1 per member.

### 20. Income and expenditure account

|   | 2014             | 2013             |
|---|------------------|------------------|
|   | £                | £                |
| Balance brought forward                         | 1,330,655        | 1,262,559        |
| Net income/(expenditure) for the financial year | (197,480)        | 68,096           |
| Balance carried forward                         | <u>1,133,175</u> | <u>1,330,655</u> |



# THE POLICE REHABILITATION AND RETRAINING TRUST

Notes forming part of the Consolidated Financial Statements continued

Year ended 31 March 2014

## 21. Fees and charges

An analysis is shown below of the services for which a fee is charged, where the amount of the income and the full cost of the service are material to the financial statements.

In each of the services below, the financial objective is to recover direct costs.

| Service    | Income<br>£ | Full cost<br>£ | Surplus/(deficit)<br>£ |
|------------|-------------|----------------|------------------------|
| Healthcare | 99,042      | 87,906         | 11,136                 |
| Training   | 342,029     | 638,624        | (296,595)              |

The information provided above is for fees and charges purposes.

## 22. Additional disclosures to comply with FReM

HM Treasury's Financial Reporting Manual (FReM) requires grant in aid, whether for revenue or capital purposes, to be treated as contributions from controlling parties giving rise to a financial interest in the residual interest of the reporting entity. As such, under FReM, grant in aid is to be credited to the income and expenditure reserve and not through the statement of comprehensive net expenditure.

As the PRRT now complies with FReM for reporting to DoJ, the following is the effect of this compliance:

|                                       | 2013-14<br>£000       | 2012-13<br>£000       |
|---------------------------------------|-----------------------|-----------------------|
| <b>Expenditure</b>                    |                       |                       |
| Staff costs                           | 1,432                 | 1,475                 |
| Depreciation                          | 118                   | 148                   |
| Other Expenditures                    | 1,344                 | 1,469                 |
|                                       | <u>2,894</u>          | <u>3,092</u>          |
| <b>Income</b>                         |                       |                       |
| Income from activities                | 547                   | 662                   |
| Other Income                          | -                     | -                     |
|                                       | <u>547</u>            | <u>662</u>            |
| <b>Net Expenditure</b>                | <u>(2,347)</u>        | <u>(2,430)</u>        |
| Interest payable/receivable           | -                     | -                     |
| <b>Net Expenditure after interest</b> | <u><u>(2,347)</u></u> | <u><u>(2,430)</u></u> |

**THE POLICE REHABILITATION AND RETRAINING TRUST**  
**Notes forming part of the Consolidated Financial Statements continued**  
**Year ended 31 March 2014**

---

**23. Events after the Reporting Date**

There were no events after the reporting date which would require adjustment to the Consolidated Financial Statements.

**Date of authorisation for issue**

The Annual Report and Consolidated Financial Statements were authorised by the Accounting Officer to be issued on 11 July 2014.

## **THE POLICE REHABILITATION AND RETRAINING TRUST**

---

**The following pages do not form part of the Consolidated Financial Statements which are the subject of The Comptroller and Auditor General Certificate on pages 36 to 37.**

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Detailed Consolidated Net Expenditure Account

Year ended 31 March 2014

|   | 2014<br>£ | 2013<br>£ |
|---|-----------|-----------|
| <b>Direct costs</b>                             |           |           |
| PDETS - Associates                              | 10,794    | 13,677    |
| PDETS - Other Costs                             | 12,268    | 18,627    |
| Marketing                                       | 4,246     | 19,265    |
| Training - Catering                             | 23,352    | 22,082    |
| Training - Educational & Training Costs         | 91,913    | 166,134   |
| Training – Training Support                     | 126,952   | 97,457    |
| Training - Other Costs                          | 8,066     | 15,788    |
| Rehabilitation- Other costs                     | 1,916     | 1,246     |
| Physiotherapy - Muscular costs                  | 74,330    | 68,019    |
| Physiotherapy - Other Costs                     | 12,545    | 25,484    |
| Psychology – Counsellors                        | 38,928    | 53,088    |
| Psychology - Other Costs                        | 18,458    | 46,944    |
| Direct Wages - PDETS, Training & Rehabilitation | 296,602   | 294,570   |
| Direct Wages - Physiotherapy                    | 166,041   | 147,176   |
| Direct Wages - Psychology                       | 258,817   | 251,899   |
| Employers NIC on direct wages                   | 61,410    | 80,475    |
| Pension contributions - direct wages            | 44,161    | 47,720    |
| Catering Costs                                  | 5,382     | 2,444     |
| Projects- other costs                           | 408,821   | 386,131   |
| Projects direct wages                           | 112,815   | 144,990   |
| Project – redundancy costs                      | 6,797     | -         |
| Employers NIC on project direct wages           | 3,318     | 5,144     |
| Pension contributions on project direct wages   | 3,244     | 3,984     |
| Depreciation of equipment                       | 58,101    | 56,514    |
| Amortisation                                    | 8,956     | 41,794    |
|   | 1,858,233 | 2,010,652 |
| <b>Staff Costs</b>                              |           |           |
| Directors salaries                              | 55,000    | 57,500    |
| Directors national insurance contributions      | 318       | 692       |
| Wages and salaries                              | 346,813   | 376,060   |
| Staff NIC                                       | 29,733    | 36,238    |
| Staff pension contributions                     | 25,725    | 28,924    |
| Redundancy Costs                                | 20,818    | 5,590     |
|   | 478,407   | 505,004   |
| <b>Depreciation</b>                             |           |           |
| Depreciation of building improvements           | 32,296    | 32,079    |
| Depreciation of plant and machinery             | 2,723     | 3,566     |
| Depreciation of fixtures and fittings           | 15,466    | 14,422    |
|   | 50,485    | 50,067    |
| Carried forward                                 | 2,387,125 | 2,565,723 |

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Detailed Consolidated Net Expenditure Account

Year ended 31 March 2014

|   | 2014<br>£               | 2013<br>£               |
|---|-------------------------|-------------------------|
| Brought forward                               | 2,387,125               | 2,565,723               |
| <b>Other expenditures:</b>                    |                         |                         |
| <b>Establishment expenses</b>                 |                         |                         |
| Rent  | 108,876                 | 108,888                 |
| Rates, heat and light                         | 62,916                  | 68,353                  |
| Insurance                                     | 22,914                  | 24,277                  |
| Repairs and maintenance                       | 10,903                  | 14,171                  |
| Security                                      | 80,817                  | 86,171                  |
|   | <u>286,426</u>          | <u>301,860</u>          |
| <b>General expenses</b>                       |                         |                         |
| Travel and subsistence                        | 705                     | 1,640                   |
| Telephone and fax                             | 12,128                  | 11,910                  |
| Office expenses                               | 9,517                   | 9,967                   |
| Advertising, printing, stationery and postage | 6,580                   | 15,169                  |
| Computer expenses                             | 84,026                  | 72,572                  |
| Staff training                                | 7,447                   | 5,115                   |
| Sundry expenses                               | 1,943                   | 892                     |
| Health & Safety                               | 443                     | 719                     |
| Entertaining                                  | 151                     | 192                     |
| Legal and professional fees                   | 18,924                  | 27,658                  |
| Recruitment and associated personnel costs    | 5,400                   | 5,349                   |
| Auditors remuneration                         | 16,600                  | 19,494                  |
| Quality standards                             | 1,252                   | 155                     |
| Database Development                          | 720                     | -                       |
| Destruction Costs                             | 48                      | 2,443                   |
| Procurement Costs                             | 25,084                  | 20,001                  |
| Fines and Penalties                           | 750                     | -                       |
|   | <u>191,718</u>          | <u>193,276</u>          |
| <b>Financial Costs</b>                        |                         |                         |
| Bad debts written off                         | -                       | 1,104                   |
| Operating lease: Equipment                    | 25,750                  | 26,873                  |
| Bank Charges                                  | 3,477                   | 3,218                   |
| Cost of capital                               | -                       | -                       |
|   | <u>29,227</u>           | <u>31,195</u>           |
|   | <u>507,371</u>          | <u>526,331</u>          |
| <b>Total Expenditure</b>                      | <u><u>2,894,496</u></u> | <u><u>3,092,054</u></u> |
| Carried forward                               | 2,894,496               | 3,092,054               |

# THE POLICE REHABILITATION AND RETRAINING TRUST

## Detailed Consolidated Net Expenditure Account

Year ended 31 March 2014

---

|   | 2014<br>£               | 2013<br>£            |
|---|-------------------------|----------------------|
| Brought forward                                 | 2,894,496               | 3,092,054            |
| <b>Income</b>                                   |                         |                      |
| Grant in aid                                    | 2,153,183               | 2,532,699            |
| Catering and room hire income                   | 30,770                  | 17,703               |
| Healthcare income                               | 99,825                  | 94,891               |
| Miscellaneous income                            | 1,819                   | 138                  |
| Service Charges                                 | 88,638                  | 68,414               |
| Training income                                 | 124,325                 | 185,836              |
| Service Income                                  | -                       | 177,254              |
| NI Prison Service                               | 201,696                 | 117,524              |
|   | <u>2,700,256</u>        | <u>3,194,459</u>     |
| <b>Net (Expenditure)/ Income</b>                | <b>(194,240)</b>        | <b>102,405</b>       |
| Income Tax (expense)/ income                    | <b>(3,240)</b>          | <b>(34,309)</b>      |
| <b>Total Comprehensive (Expenditure)/Income</b> | <b><u>(197,480)</u></b> | <b><u>68,096</u></b> |