HUMBERSIDE POLICE & CRIME COMMISSIONER

Serving our communities to make them safer and stronger

# THE POLICE AND CRIME COMMISSIONER FOR HUMBERSIDE

# FINANCIAL STATEMENTS

## 2025/26

## FINAL

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# NARRATIVE REPORT TO THE STATEMENT OF ACCOUNTS

## INTRODUCTION TO THE HUMBERSIDE POLICE FORCE AREA

The Statement of Accounts summarises the financial performance of the Police and Crime Commissioner (PCC) Group for the year ended 31 March 2026. These accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The purpose of the narrative report is to offer interested parties a fair, balanced and easily understandable guide to the most significant matters reported in the accounts. The inevitable use of technical language has been kept to a minimum. A 'Glossary of Terms' (to help explain some of the technical terms) can be found in the appendices.

## ABOUT THE PCC FOR HUMBERSIDE

The Humberside Police Force area is located on the north east coast of England, equidistant from London, Edinburgh and Rotterdam. It covers the local authority areas of the East Riding of Yorkshire, Kingston upon Hull, North East Lincolnshire and North Lincolnshire.

It has a total area of around 1,250 square miles around the Humber Estuary and has a population of over 930,000. Nearly 90% of the area is rural and a quarter of the population lives in a rural area. Its main settlement and commercial capital is Kingston upon Hull. Major settlements include the port of Grimsby, Cleethorpes, Bridlington, Scunthorpe, Beverley and Goole, the UK's most inland port.

The area maintains its strong maritime heritage and the port infrastructure accounts for more than 15% of the UK overseas trade. It is estimated that one million people a year travel to and from continental Europe by ferry via Hull and a further quarter of a million people travel on domestic and international flights from Humberside Airport.

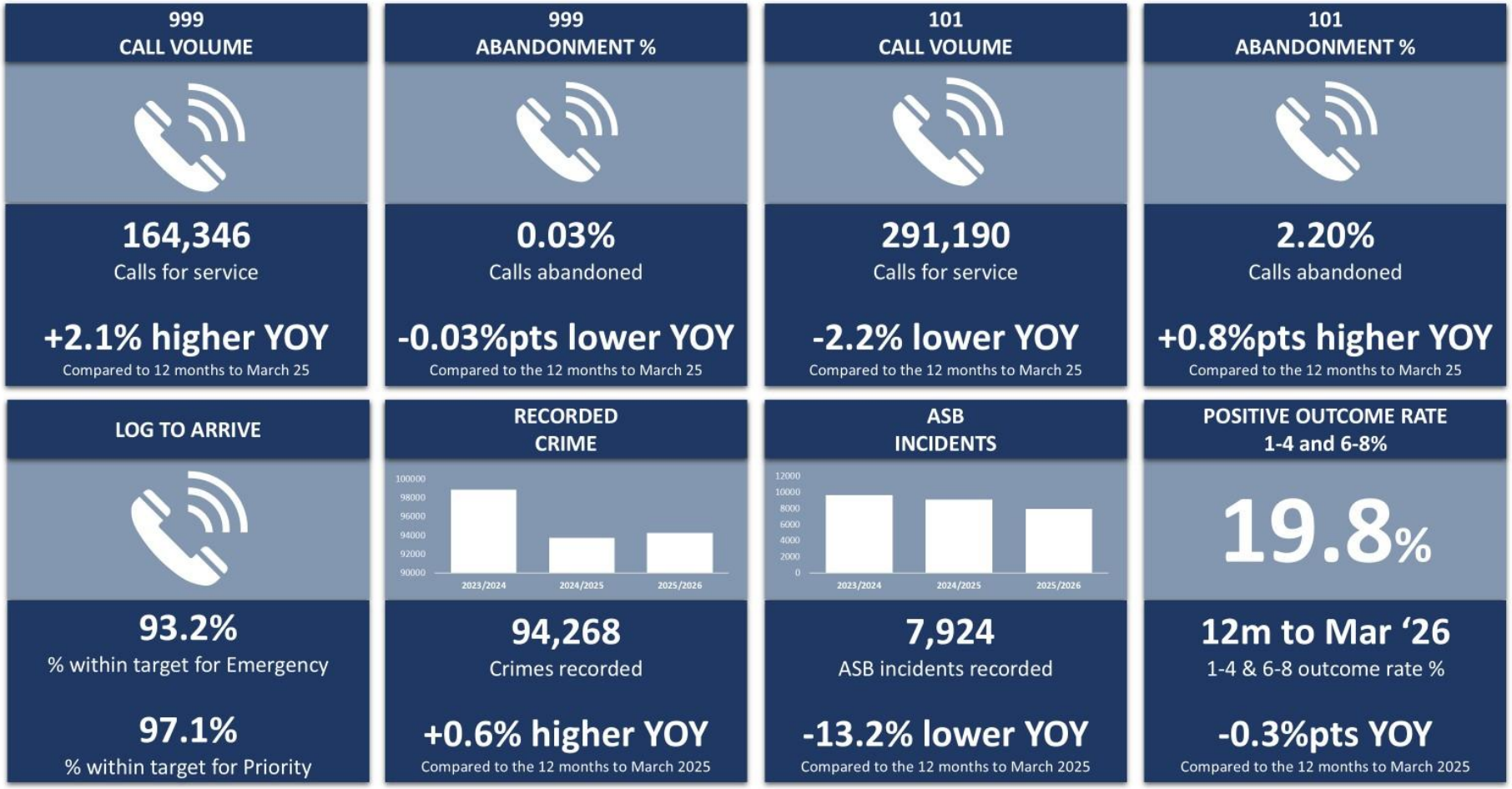
Jonathan Evison is the PCC (re-elected in May 2024), and Chris Todd is the Chief Constable appointed in April 2025. The PCC's Police and Crime Plan covers the period 2024-29.

The Chief Constable has developed a 'Plan on a page', refreshed in December 2023, which is included on the next page.


Our mission
Victim Focused
Community Focused
Workforce Focused
Our priorities
Improve victim experience
Reduce crime and harm
Build trust and confidence
Build pride in our workforce
Increase our efficiency
Improve justice outcomes
Our vision is to be an outstanding, locally-trusted and globally-acclaimed police force.
Rural
Coastal
Urban
Our values: Courage • Respect and empathy • Public service

**FORCE PERFORMANCE**

# Key Performance Indicators: 12 months to March 2026



## POLICE AND CRIME COMMISSIONER PERFORMANCE

### Our journey over the last year as the Office of the Police and Crime Commissioner (OPCC)

We continued to make things better for you and our work remains far wider than oversight of the police.

The OPCC replicates the Vision, Mission and Values set out in the Police and Crime Plan. Our organisational values have the acronym of ACE IT!

**Ambition, Compassion, Enabling, Integrity and Trust**

The Police and Crime Plan runs from 2024 to 2029 and includes three aims:

1. Engaged, Resilient and Inclusive Communities – provide pathways for everyone to contribute to the safety of our communities.
2. Safer Communities – focus activities on interventions that significantly impact on local crime levels.
3. Effective Organisations – make the system work better for local communities.

Each of the aims has a series of outcomes and objectives that demonstrate what we will do to achieve the aims. The plan exists to provide strategic direction to the Force and all partners operating around community safety.

The OPCC continued to engage with partners to promote the aims of the Police and Crime Plan, notably the statutory partners of the Community Safety Partnerships and members of the Criminal Justice Board as well as other stakeholders of interest.

The Police and Crime Plan can be found on the OPCC website at https://www.humberside-pcc.gov.uk/

The structure of the OPCC continued to flex and change to meet the needs of the Police and Crime Plan and any additional responsibilities provided to the PCC through legislative and changes.

Our two teams:

- **Assurance and Statutory Duties Team**: continued to support the PCC to carry out their statutory responsibilities of holding the Chief Constable to account, as well as ensuring business as usual was maintained for a broad portfolio of activity such as community engagement and involvement of volunteers in scrutiny, providing a professional support and administrative function, managing the Independent Custody Visitor (ICV) scheme, providing communication and media expertise, acting as the point of contact for members of the public wishing to enact their right of review for the way a complaint was handled by the police, managing Freedom of Information requests, ensuring transparency in decision making, co-ordinating grant provision and communication with Youth Offending Services and Safeguarding Boards, commissioning key services including victim-related services, putting in place robust arrangements to manage contracts, and managing the Affected By Crime (ABC) hub,

- **Policy and Partnerships Team:** continued to support the PCC around commissioning services, funding, partnerships and public health programmes, as well as supporting the Criminal Justice Board, managing grants provision with the four Community Safety Partnerships, co-ordinating communication with the business community, leading the bidding process for grants and funding opportunities, leading a partnerships approach to reduce domestic abuse through a public health methodology, working collaboratively to address

serious violence through the Violence Prevention Partnership (VPP), and creating opportunities through our Education Partnership work.

Our Delivery Plan 2025/26 (Reports & Plans | Corporate Information) outlined the range of work undertaken during the year, and in mid-2026 the Annual Report covering 2025-26 performance will be published

## CHIEF FINANCE OFFICER'S STATEMENT

This is the Statements of Accounts for the PCC for Humberside for 2025/26.

The accounts provide a record of the financial position and performance for the year and incorporate transactions relating to the Force, the PCC and for the PCC Group reflecting the combined position of both organisations.

The PCC Group position represents the consolidated financial statements of the PCC and the subsidiary, the Chief Constable. Where the PCC Group position differs from the PCC position this is made clear in the financial statements and notes.

Separate statutory financial statements have been prepared for the Chief Constable.

Annual Governance Statements for the PCC and for Humberside Police for 2025/26 have been published separately and are available on the PCC and Force websites.

### Explanation of Accounting Statements

The financial statements have been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting.

The financial statements reflect the current legislative framework as well as the local arrangements operating in practice. Key elements of this framework include:

- The Police Reform and Social Responsibility Act 2011 (PRSRA);
- The Home Office Financial Management Code of Practice for the Police Forces for England and Wales and Fire and Rescue Authorities created under Section 4A of the Fire and Rescue Services Act 2004 (July 2018).

The Corporate Governance Framework includes:

- A statement of corporate governance – statutory framework and local policy;
- A code of corporate governance – setting out how the good governance core principles will be implemented;
- A scheme of corporate governance – defines the parameters within which the corporations sole will conduct their business;
- Separate policy and procedures for each corporation sole, with protocols where they operate jointly.

The basic position remains that the Commissioner is responsible for the finances of the whole PCC Group and controls the assets, most of the liabilities and reserves. The PCC received all income and funding and made all payments for the PCC Group from the PCC Police Fund.

In turn, the Chief Constable continued to have the duty to fulfil prescribed functions under the PRSRA within the annual budget (set by the PCC in consultation with the Chief Constable) in line with the approved Corporate Governance Framework (which was revised in January 2026) (Policies | Corporate Information). This Framework sets out how the two "corporations sole" will discharge their respective responsibilities.

**The Statement of Responsibilities** details the responsibilities of the PCC/Chief and the Chief Finance Officer/S.151 Officer for the Accounts. This statement is signed and dated by Chief Finance Officer/S.151 Officer under a statement that the accounts give a true and fair view of the financial position of the PCC Group at the accounting date and its income and expenditure for the year ended 31 March.

**The Movement in Reserves Statements** shows the movement in the year on the different reserves held by the PCC Group. This statement is split into usable and unusable reserves; the usable reserves are those that can be used by the PCC to fund expenditure; and the unusable reserves are those reserves that are required to mitigate the effect of some transactions on council tax and those reserves that are created to mitigate unrealised gains and losses.

**The Comprehensive Income and Expenditure Statements** shows the accounting cost of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The PCC raises taxation in accordance with regulations which are different from the accounting cost. The taxation position is shown in the Movement in Reserves Statements (the movement on usable reserves).

**The Balance Sheets** which shows the value of the assets and liabilities recognised by the PCC Group and the PCC at the Balance Sheet date.

**The Cash Flow Statement** which shows the changes in cash and cash equivalents during the year. This statement shows how the PCC generates and uses its cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

**The Pension Fund Account** which shows the movements relating to the police pension fund

The notes to the accounting records provide more detail about the accounting policies and individual transactions.

## 2025/26 Financial Year

The PCC approved a budget in February 2025 of £255.652m. Actual expenditure for the year was £256.317m, an overspend of £0.665m. This materially relates to capital financing charges, with necessary borrowing taken at rates in excess of the budgeted 3%.

Reserves at the start of 2025/26 totalled £17.236m. The total level of reserves at 31 March 2026 stands at £12.140m.

The original savings target within the Medium-Term Resource Strategy (MTRS) for 2025/26 was £2.500m, which were realised by the Force.

A summary of capital performance compared to budget is shown in the table below:-

| CAPITAL PROGRAMME | 2025/26 BUDGET £m | 2025/26 ACTUAL £m | VARIANCE £m |
|---|---|---|---|
| Estates Programme | 2.290 | 2.204 | (0.086) |
| ICT Programme | 3.536 | 2.667 | (0.869) |
| Vehicles & Equipment | 3.543 | 3.109 | (0.434) |
| **Grand Total** | **9.369** | **7.980** | **(1.389)** |

## Financing of Capital Expenditure

The PCC has a rolling capital programme that is reviewed throughout the year. The programme is financed by external borrowing, capital receipts and revenue contributions.

## Humberside PCC Reserves

Balances at 1 April 2025 stood at £17.236m. £4.431m was utilised during 2025/26. At the year end £0.665m was transferred from reserves. The balances at 31 March 2026 now stand at £12.140m.

## Future Spending Plans

The PCC has published a MTRS for 2026/27 to 2030/31 which sets out the overall shape of the PCCs budget. It establishes how available resources will best deliver the Police and Crime Plan and mitigate corporate risks identified. The current level of PWLB borrowing is £100.785m at 31 March 2026. The operational boundary is £150.000m and the authorised limit is £180.000m (these are part of the PCC's prudential indicators that have been previously agreed in the PCC's Treasury Management report; Published March 2025).

## International Accounting Standard 19 (IAS 19)

IAS 19 requires employers to report the full cost of pension benefits as they are earned, regardless of whether they have been paid for. The total 2025/26 long term pension asset has been capped by way of an asset ceiling to £0m (2024/25 £0m on the Local Government Pension Scheme) The total long term pension liability is £1,538.34m (2024/25 was £1,569.47m) of which £1,537.86m relates to the Police Pension Scheme and £0.48m relates to the Local Government Pension Scheme (the 2024/25 pension liability included £1,568.96m relating to the Police Pension Scheme and £0.51m relating to the Local Government Pension Scheme). It should be noted that IAS 19 does not impact upon the level of balances held by the PCC. (Under IAS 19 injury awards are now recognised in the PCC Group accounts).

## Humberside Police Pension Fund Account

The Financial Statements include a separate section for the Humberside Police Pension Fund Account. Under the pension funding arrangements each PCC in England is required by legislation to operate a Pension Fund and the amounts that must be paid into and out of the fund are specified by regulation.

## Change in Statutory Function

There have been no changes to the PCC's statutory functions during 2025/26.

## Significant Changes in Accounting Policies

There have been no significant changes to the accounting policies used by the PCC.

## Material Events after 31 March

There have been no material events after the 31 March balance sheet date.

## Going Concern

The MTRS ensures a balanced budget over the medium term. The PCC for Humberside will remain a going concern until at least 2028 in line with the proposed abolition of PCC by the Government from March 2028. Humberside Police Force will remain a going concern.

## Further Information

You can also find more information about the finances of the PCC and the Force on the respective websites and www.humberside.police.uk

## Acknowledgement

I would like to express my appreciation to colleagues within the Force Finance Team for their assistance in compiling the financial statements. I would also like to thank the Assistant Chief Officer (Resources), Chief Finance Officer and other operational managers within the Force for their support.

**Martyn Ransom FCCA**
Chief Finance Officer to the Police and Crime Commissioner for Humberside – May 2026

# Independent auditor's report to the Police and Crime Commissioner for Humberside and Group

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# STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

**The Police and Crime Commissioner's Responsibilities**

The Police and Crime Commissioner is required**:**

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

**I approve this Statement of Accounts.**

**Date**

**Jonathan Evison**
**Police and Crime Commissioner for Humberside**

**Chief Finance Officer's Responsibilities**

The Chief Finance Officer of the PCC is responsible for the preparation of the PCC's statement of accounts which, in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (the 'Code of Practice'), issued by the CIPFA is required to present fairly the financial position of the PCC and the PCC Group at the accounting date, and its income and expenditure for the year ended 31 March 2026.

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

Selected suitable accounting policies and then applied them consistently;

- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code of Practice.

The Chief Finance Officer has also:

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

**I certify that the attached Statement of Accounts presents a true and fair view of the position of the PCC and the PCC Group as at 31 March 2026 and the income and expenditure for the year.**

**Date**

**Martyn Ransom**
**Chief Finance Officer**

# COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE PCC GROUP

This statement shows the accounting cost in the year for the PCC Group of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. PCCs raise taxation to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis note and the Movement in Reserves Statement.

| Year Ended 31 March 2025 | | | | | Year Ended 31 March 2026 | | |
|---|---|---|---|---|---|---|---|
| £'000 | £'000 | £'000 | | | £'000 | £'000 | £'000 |
| Expenditure | Income | Net | | Note | Expenditure | Income | Net |
| 52,569 | (170) | 52,399 | Northbank Division | | 49,468 | (234) | 49,234 |
| 36,959 | (1,167) | 35,792 | Southbank Division | | 33,826 | (1,089) | 32,737 |
| 22,476 | (227) | 22,249 | Force Control Room | | 22,208 | (315) | 21,893 |
| - | - | - | Safeguarding (previously part of Specialist in 24/25) | | 14,132 | (106) | 14,026 |
| 12,327 | (2,891) | 9,436 | Regional Collaboration | | 13,146 | (2,966) | 10,180 |
| 16,843 | (1,375) | 15,468 | Special Operations Unit | | 17,542 | (1,653) | 15,889 |
| 33,826 | (2,476) | 31,350 | Specialist Crime | | 20,019 | (1,753) | 18,266 |
| 13,359 | (58) | 13,301 | People Services | | 13,558 | (62) | 13,496 |
| 14,760 | (4,727) | 10,033 | Estates Services | | 14,618 | (5,423) | 9,195 |
| 15,171 | (969) | 14,202 | Information Services | | 15,874 | (403) | 15,471 |
| 5,386 | (818) | 4,568 | Corporate Development | | 5,146 | (864) | 4,282 |
| 7,383 | (136) | 7,247 | Criminal Justice | | 12,402 | (139) | 12,263 |
| 11,203 | (10,135) | 1,068 | Centrally Managed Services | | 11,398 | (12,786) | (1,388) |
| 28,354 | (8,142) | 20,212 | Other Services | | 27,840 | (8,005) | 19,835 |
| 10,468 | (4,531) | 5,937 | Police & Crime Commissioner | | 9,469 | (5,092) | 4,377 |
| **281,084** | **(37,822)** | **243,262** | **Cost of Services - Continuing Operations** | | **280,646** | **(40,890)** | **239,756** |
| 462 | (358) | 104 | Other Operating Expenditure | **8** | 128 | (23) | 105 |
| 80,918 | (1,666) | 79,252 | Financing and Investment Income and Expenditure | **9** | 82,732 | (890) | 81,842 |
| - | (285,632) | (285,632) | Taxation and Non-Specific Grant Income | **10** | - | (299,203) | (299,203) |
| | | **36,986** | **(Surplus) or Deficit on Provision of Services** | | | | **22,500** |
| | | 3,810 | (Surplus) or Deficit on Revaluation of Non Current Assets | | | | (5,792) |
| | | (245,500) | Remeasurements of the net defined benefit liability | | | | (60,678) |
| | | 54,864 | Effect of Asset Ceiling on Net Pension Asset | | | | 12,822 |
| | | **(186,826)** | **Other Comprehensive Income and Expenditure (Surplus)/Deficit** | | | | **(53,648)** |
| | | **(149,840)** | **Total Comprehensive Income and Expenditure (Surplus)/Deficit** | | | | **(31,148)** |

# COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT FOR THE PCC

This statement shows the accounting cost in the year for the PCC of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. PCCs raise taxation to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement. Resources of the PCC consumed at the request of the Chief Constable during the year are shown for comparative purposes. The consolidated accounting cost and funding for the PCC Group for the year is shown on the preceding page.

| Year Ended 31 March 2025 | | | | | | Year Ended 31 March 2026 | | | |
|---|---|---|---|---|---|---|---|---|---|
| £'000 | PCC £'000 Income | £'000 Net | Chief Constable £'000 Expenditure | | Note | £'000 Expenditure | PCC £'000 Income | £'000 Net | Chief Constable £'000 Expenditure |
| - | (170) | (170) | 52,569 | Northbank Division | | - | (234) | (234) | 49,468 |
| - | (1,167) | (1,167) | 36,959 | Southbank Division | | - | (1,089) | (1,089) | 33,826 |
| - | (227) | (227) | 22,476 | Force Control Room | | - | (315) | (315) | 22,208 |
| - | - | - | - | Safeguarding (previously part of Specialist in 24/25) | | - | (106) | (106) | 14,132 |
| - | (2,891) | (2,891) | 12,327 | Regional Collaboration | | - | (2,966) | (2,966) | 13,146 |
| - | (1,375) | (1,375) | 16,843 | Special Operations Unit | | - | (1,653) | (1,653) | 17,542 |
| - | (2,476) | (2,476) | 33,826 | Specialist Crime | | - | (1,753) | (1,753) | 20,019 |
| - | (58) | (58) | 13,359 | People Services | | - | (62) | (62) | 13,558 |
| - | (4,727) | (4,727) | 14,760 | Estates Services | | - | (5,423) | (5,423) | 14,618 |
| - | (969) | (969) | 15,171 | Information Services | | - | (403) | (403) | 15,874 |
| - | (818) | (818) | 5,386 | Corporate Development | | - | (864) | (864) | 5,146 |
| - | (136) | (136) | 7,383 | Criminal Justice | | - | (139) | (139) | 12,402 |
| - | (10,135) | (10,135) | 11,203 | Centrally Managed Services | | - | (12,786) | (12,786) | 11,398 |
| - | (8,142) | (8,142) | 28,354 | Other Services | | - | (8,005) | (8,005) | 27,840 |
| 10,468 | (4,531) | 5,937 | - | Police & Crime Commissioner | | 9,469 | (5,092) | 4,377 | - |
| **10,468** | **(37,822)** | **(27,354)** | **270,616** | **Cost of Services - Continuing Operations** | | **9,469** | **(40,890)** | **(31,421)** | **271,177** |
| 326,808 | - | 326,808 | (326,808) | Intra-Group Funding | 5 | 334,441 | - | 334,441 | (334,441) |
| **337,276** | **(37,822)** | **299,454** | **(56,192)** | **Net Cost of Policing Services** | | **343,910** | **(40,890)** | **303,020** | **(63,264)** |
| 462 | (358) | 104 | | Other Operating Expenditure | 8 | 128 | (23) | 105 | |
| 2,723 | (1,666) | 1,057 | | Financing and Investment Income and Expenditure | 9 | 2,530 | (890) | 1,640 | |
| - | (285,632) | (285,632) | | Taxation and Non-Specific Grant Income | 10 | - | (299,203) | (299,203) | |
| | | **14,983** | | **(Surplus) or Deficit on Provision of Services** | | | | **5,562** | |
| | | 3,810 | | (Surplus) or Deficit on Revaluation of Non Current Assets | | | | (5,792) | |
| | | (1,294) | | Remeasurements of the net defined benefit liability | 35 | | | (80) | |
| | | 1,384 | | Effect of Asset Ceiling on Net Pension Asset | 35 | | | 349 | |
| | | **3,900** | | **Other Comprehensive Income and Expenditure (Surplus)/Deficit** | | | | **(5,523)** | |
| | | **18,883** | | **Total Comprehensive Income and Expenditure (Surplus)/Deficit** | | | | **39** | |

# MOVEMENT IN RESERVES STATEMENT FOR THE PCC GROUP

This statement shows the movement in the year on the different reserves held by the PCC Group, analysed into 'usable reserves' (i.e. those that can currently be used to fund expenditure or reduce local taxation) and other 'unusable reserves'. It shows how the movements in year of the PCC Group's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The Increase / Decrease in Year line shows the statutory General Fund Balance movements in the year following those adjustments.

**MOVEMENT IN RESERVES – PCC GROUP**

| | General Fund Balance | Capital Unapplied Reserve | Total Usable Reserves | Total Unusable Reserves | Total Reserves |
|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Balance at 31 March 2025** | 17,236 | - | 17,236 | (1,515,720) | **(1,498,484)** |
| **Total Comprehensive Income & Expenditure** | (22,500) | - | (22,500) | 53,648 | **31,148** |
| Adjustments between Accounting Basis & Funding Basis under Regulations | 17,404 | - | 17,404 | (17,404) | - |
| **Increase / (Decrease) in Year** | **(5,096)** | - | **(5,096)** | **36,244** | **31,148** |
| **Balance at 31 March 2026** | **12,140** | - | **12,140** | **(1,479,476)** | **(1,467,336)** |

| | General Fund Balance | Capital Unapplied Reserve | Total Usable Reserves | Total Unusable Reserves | Total Reserves |
|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Balance at 31 March 2024** | 25,693 | - | 25,693 | (1,674,017) | **(1,648,324)** |
| **Total Comprehensive Income & Expenditure** | (36,986) | - | (36,986) | 186,826 | **149,840** |
| Adjustments between Accounting Basis & Funding Basis under Regulations | 28,529 | - | 28,529 | (28,529) | - |
| **Increase / (Decrease) in Year** | **(8,457)** | - | **(8,457)** | **158,297** | **149,840** |
| **Balance at 31 March 2025** | **17,236** | - | **17,236** | **(1,515,720)** | **(1,498,484)** |

A breakdown of the PCC Group Adjustments between Accounting and Funding Basis under Regulations can be found in Note 16 of the accounts.

# MOVEMENT IN RESERVES STATEMENT FOR THE PCC

This statement shows the movement in the year on the different reserves held by the PCC, analysed into 'usable reserves' (i.e. those that can currently be used to fund expenditure or reduce local taxation) and other 'unusable reserves'. It shows how the movements in year of the PCC's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The Increase / Decrease in Year line shows the statutory General Fund Balance movements in the year following those adjustments.

**MOVEMENT IN RESERVES – PCC**

| | General Fund Balance | Capital Unapplied Reserve | Total Usable Reserves | Total Unusable Reserves | Total Reserves |
|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Balance at 31 March 2025** | 17,236 | - | 17,236 | 56,212 | **73,448** |
| **Total Comprehensive Income & Expenditure** | (5,562) | - | (5,562) | 5,523 | **(39)** |
| Adjustments between Accounting Basis & Funding Basis under Regulations | 466 | - | 466 | (466) | - |
| **Increase / (Decrease) in Year** | **(5,096)** | - | **(5,096)** | **5,057** | **(39)** |
| **Balance at 31 March 2026** | **12,140** | - | **12,140** | **61,269** | **73,409** |

| | General Fund Balance | Capital Unapplied Reserve | Total Usable Reserves | Total Unusable Reserves | Total Reserves |
|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Balance at 31 March 2024** | 25,693 | - | 25,693 | 66,638 | **92,331** |
| **Total Comprehensive Income & Expenditure** | (14,983) | - | (14,983) | (3,900) | **(18,883)** |
| Adjustments between Accounting Basis & Funding Basis under Regulations | 6,526 | - | 6,526 | (6,526) | - |
| **Increase / (Decrease) in Year** | **(8,457)** | - | **(8,457)** | **(10,426)** | **(18,883)** |
| **Balance at 31 March 2025** | **17,236** | - | **17,236** | **56,212** | **73,448** |

A breakdown of the PCC Adjustments between Accounting and Funding Basis under Regulations can be found in Note 17 of the accounts.

# BALANCE SHEET FOR THE PCC GROUP AND PCC

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the PCC Group and the PCC. The net assets (assets less liabilities) are matched by the reserves held by the PCC Group and the PCC.

| 31 March 2025 | | | | 31 March 2026 | |
|---|---|---|---|---|---|
| PCC Group | PCC | | | PCC Group | PCC |
| £'000 | £'000 | | Note | £'000 | £'000 |
| 170,597 | 170,597 | Property, Plant & Equipment | 18 | 173,087 | 173,087 |
| 943 | 943 | Assets under Construction | 18 | 1,784 | 1,784 |
| 2,841 | 2,841 | Intangible Assets | 20 | 2,634 | 2,634 |
| 1,589 | 1,589 | Right of Use Assets | 22 | 1,370 | 1,370 |
| - | - | Other Long Term Debtors | | - | - |
| **175,970** | **175,970** | **Long Term Assets** | | **178,875** | **178,875** |
| 450 | 450 | Assets Held for Sale | 18 | 2,600 | 2,600 |
| 134 | 134 | Inventories | | 202 | 202 |
| 2,000 | 2,000 | Short Term Investments | 25 | - | - |
| 34,284 | 34,116 | Short Term Debtors | 24 | 36,789 | 36,626 |
| 4,038 | 4,038 | Cash and Cash Equivalents | 37 | 4,495 | 4,495 |
| **40,906** | **40,738** | **Current Assets** | | **44,086** | **43,923** |
| - | - | Cash and Cash Equivalents (liability) | 37 | - | - |
| 37,006 | 34,357 | Short Term Creditors | 24 | 35,043 | 32,460 |
| 98 | 98 | Capital Grants Received in Advance | | 98 | 98 |
| 418 | 418 | Short Term Lease Liabilities | 22 | 436 | 436 |
| 1,730 | 1,730 | Short Term Provisions | 29 | 1,404 | 1,404 |
| 8,445 | 8,445 | Short Term Borrowing | 26 | 21,254 | 21,254 |
| **47,697** | **45,048** | **Current Liabilities** | | **58,235** | **55,652** |
| 96,786 | 96,786 | Long Term Borrowing | 26 | 92,532 | 92,532 |
| 1,224 | 1,224 | Long Term Lease Liabilities | 22 | 968 | 968 |
| 188 | 188 | Long Term Provisions | 29 | 223 | 223 |
| 1,569,465 | 14 | Net Pension Liability | 31 | 1,538,339 | 14 |
| **1,667,663** | **98,212** | **Long Term Liabilities** | | **1,632,062** | **93,737** |
| **(1,498,484)** | **73,448** | **Net Assets/ (Liabilities)** | | **(1,467,336)** | **73,409** |
| 17,236 | 17,236 | Usable Reserves | 27 | 12,140 | 12,140 |
| (1,515,720) | 56,212 | Unusable Reserves | 28 | (1,479,476) | 61,269 |
| **(1,498,484)** | **73,448** | **Total Reserves** | | **(1,467,336)** | **73,409** |

# CASH FLOW STATEMENT FOR THE PCC AND THE PCC GROUP

The Cash Flow Statement shows the changes in cash and cash equivalents of the PCC Group and the PCC during the reporting period. The statement shows how the PCC Group and the PCC generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the PCC Group and the PCC are funded by way of taxation and grant income or from the recipients of services provided by the PCC Group/PCC. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the PCC Group and the PCC's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the PCC Group/PCC.

| 31 March 2025 PCC Group £'000 | 31 March 2025 PCC £'000 | | 31 March 2026 PCC Group £'000 | 31 March 2026 PCC £'000 |
|---|---|---|---|---|
| 36,986 | 14,983 | Net (Surplus) or Deficit on the Provision of Services | 22,500 | 5,562 |
| (43,621) | (21,618) | Adjustments to Net Surplus or Deficit on the Provision of Services for Non Cash Movements | (21,048) | (4,110) |
| 1,270 | 1,270 | Adjustments for items included in the Net Surplus or Deficit on the Provision of Services that are Investing and Financing Activities | 964 | 964 |
| **(5,365)** | **(5,365)** | **Net Cash Flows from Operating Activities** | **2,416** | **2,416** |
| 5,924 | 5,924 | Investing Activities | 5,262 | 5,262 |
| (3,595) | (3,595) | Financing Activities | (8,135) | (8,135) |
| **(3,036)** | **(3,036)** | **Net (Increase) or Decrease in Cash and Cash Equivalents** | **(457)** | **(457)** |
| 1,002 | 1,002 | Cash and Cash Equivalents at the Beginning of the Reporting Period | 4,038 | 4,038 |
| **4,038** | **4,038** | **Cash and Cash Equivalents at the End of the Reporting Period** | **4,495** | **4,495** |

Note 37 in the accounts provides further details of the figures in the above Cash Flow statement.

# STATEMENT OF ACCOUNTING POLICIES FOR THE PCC AND THE PCC GROUP

## Accounting Policies

The financial statements must meet and are prepared in accordance with the accounting requirements of the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom, supported by International Financial Reporting Standards (IFRS). Where the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the circumstances of the PCC Group/PCC for the purpose of presenting fairly the position of the PCC Group/PCC has been selected. The policies adopted are described below. They have been applied consistently in dealing with items considered material in relation to the financial statements.

## Group accounts

The financial statements included here represent the accounts for the PCC and the PCC Group. The term "PCC Group" is used to indicate individual transactions and policies of the PCC and the Chief Constable. The identification of the PCC as the holding organisation and the requirement to produce group accounts stems from the powers and responsibilities of the PCC under the Police Reform and Social Responsibility Act 2011. The Chief Constable is a subsidiary organisation of the PCC. The transactions and balances of the PCC and the Chief Constable have been consolidated into the PCC Group financial statements using the line-by-line method.

Each reporting period the PCC Group will review its interests and influence on all types of entities including, but not limited to, other PCCs and similar statutory bodies, common good trust funds, charities, companies, joint committees and other joint arrangements. If appropriate, such other entities will be included in the group accounts prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting.

## Accounting convention

These financial statements have been prepared under the historical cost convention modified to account for the revaluation of certain categories of non-current assets. Where appropriate financial assets and liabilities have been impaired or discounted to bring them to current value.

## Going Concern

After making enquiries, the PCC has formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the PCC and PCC Group or its successors has access to adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. The liabilities for pensions are unrealised liabilities at the balance sheet date and will fall due as employees retire over their working lives.

## Critical Judgements in Applying Accounting Policies

In the application of the PCC Group's accounting policies, management is required to make judgements about complex transactions or those involving uncertainty about future events.

The critical judgements made in the financial statements are in regard to the degree of uncertainty about future levels of central government funding and the impact of budget cuts to be achieved. However, the PCC Group has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the PCC Group might be impaired as a result of a need to close facilities or reduce levels of service provision.

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

The financial statements contain estimated figures that are based on assumptions made by the PCC Group about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. Because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the PCC and PCC Group's Balance Sheet as at 31 March for which there is significant risks of material adjustment in the forthcoming financial year are as follows:

- **Pensions Liability**

Estimation of the net liability to pay pensions is dependent on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Actuaries are engaged to provide expert advice about the assumptions to be applied for both the Police and Local Government Pension Schemes.

The carrying amount of the PCC Group pension liability on 31 March 26 was £1,538m.

The effects on the net pension liability of changes in individual assumptions can be measured and a full sensitivity analysis around the effect on the net pension liability of changes in assumptions made can be found in Note 31 to these accounts.

However, the assumptions interact in complex ways. During the financial year, the force's actuaries advised that the net pensions liability had increased by £15.395m as a result of estimates being corrected as a result of experience and decreased by £63.890m attributable to updating of the assumptions.

- **Property Valuation**

Valuation of assets and consideration of impairment depends on a number of complex judgements and a firm of Valuers is engaged to provide expert advice about the assumptions to be applied.

Many of the properties within the PCC Group balance sheet are valued as specialist properties, which are valued on a depreciated replacement cost (DRC) basis. After the valuation date rates of inflation have fluctuated and therefore the cost of replacing assets would be likely to change.

The current value of properties held on balance sheet as at 31 March 2026 is £155.855m. It is estimated that if the value of land and buildings were to increase or decrease by 10% this would result in a change in valuations of £15.6m.

Additionally, properties are valued on a five-year rolling programme, with properties not being subject to valuation being indexed. Indices have been chosen, taking into account the advice of external experts and are deemed to be the most accurate indices readily available. Indexation is not meant to be a truly accurate representation of the increase in value of a property, but a best estimate which is deemed most suitable and accurate.

Based on the assets subject to full valuation in the year, the average increase in the value of property assets was 1.3%. Percentage increases applied via indexation differ to the average increase resulting from full valuation, depending on the asset type and valuation method used. Therefore, a difference in % applied is expected. If the 1.3% increase was applied to assets that were not revalued in the year, instead of indexation, this would result in an increase in property value of £1.950m. This is compared to an actual increase of £7.306m resulting from indexation (see Note 21). The difference between values is primarily due to the nature and scale of the properties subject to full valuation within the year.

- **Property, Plant and Equipment - Depreciation**

Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. If in the current economic climate the PCC Group was unable to sustain its current spending on repairs and maintenance, the useful lives assigned to assets would be brought into doubt.

If the useful life of assets is reduced depreciation increases and the carrying amount of assets falls. It is estimated that the annual depreciation charge for buildings would increase by £0.211m for every year that useful lives had to be reduced.

**Revenue**

Revenue in respect of services provided is recognised when performance occurs, and is measured at the fair value of the consideration receivable. A de-minimis threshold of £10,000 is in place for year-end accruals.

**Employee Benefits**

- **Short-term employee benefits**

Short-term employee benefits are those due to be settled within 12 months of the year-end, and include benefits such as wages, paid annual leave, paid sick pay and non-monetary benefits for current employees. These benefits are recognised as an expense in the year in which the employee renders service to the PCC Group. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is charged to surplus or deficit on the provision of services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs

- **Termination benefits**

Termination benefits are amounts payable as a result of a decision by the PCC Group to terminate a member of staff's employment before their normal retirement date or their decision to accept voluntary redundancy. These costs are charged on an accruals basis as an expense in the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement (CIES) when the PCC Group is demonstrably committed to the termination of the employment of an individual or group of employees or making an offer to encourage voluntary redundancy.

- **Post Employment Benefits**

The PCC Group participates in pension schemes for Police Officers and for Police staff. All of the schemes provide members with defined benefits related to pay and service.

- **Police Officers**

The 2015 Police Pension Scheme (previously 1987, 2006 and 2015) is a contributory occupational pension scheme. Officers pay contributions from their pensionable pay based on salary bandings. The contribution rates are set nationally by the Home Office. The PCC Group accounts for Police Pensions through the Police Pension Fund Accounts. The cost to the PCC Group is via an employers' contribution and a charge for Officers who retire on ill health. Any balance on the Pension Fund Accounts is received from or paid to Central Government.

Injury awards are not part of the Police Pension Fund and are paid out of the PCC Group's budget.

- **Police Staff**

The PCC is an admitted body to the East Riding Pension Fund, which is administered by East Riding of Yorkshire Council. Police staff are eligible to join the Local Government Pension Scheme which has varying contribution rates based on members' salaries. The PCC makes employers' contributions as required into the East Riding Pension Fund.

The East Riding Pension Fund Scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pensions committee of East Riding of Yorkshire Council. Policy is determined in accordance with the Public Fund Regulations.

The PCC Group/PCC have fully adopted IAS 19 Employee Benefits. The financial statements reflect the commitment to make up any shortfall in attributable net assets in the Pension Fund. The overall pension liability is included in the Balance Sheet of the PCC Group and service costs are reflected in the CIES.

**Expenses**

Expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

Whilst all expenditure is paid for by the PCC, including the remuneration of police officers and staff, the actual recognition in the respective PCC and Chief Constable's financial statements is based on economic benefit.

**Property, Plant and Equipment**

- **Recognition**

Property, plant and equipment is capitalised on an accruals basis if:

- it is held for use in delivering services or for administration purposes;
- it is probable that service potential will be provided to the PCC Group;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has a cost of at least £10,000

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets if they have a cost of over 25% of the whole asset, and they are depreciated over their own useful economic lives.

- **Valuation**

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at current value.

Land and buildings used by the PCC Group are stated in the Balance Sheet at their revalued amounts, being their current value at the date of valuation less any subsequent accumulated depreciation and impairment losses. The PCC Group undertakes a five year rolling programme of revaluations, with properties being indexed each year in between valuations. Those land and buildings which do not have a suitable index, are valued every five years, with an additional desktop valuation in year 3.

Indexation is applied to the closing net book value of properties after all other adjustments, including enhancements and depreciation. A description of indices used is within Note 21 to the accounts. All indices used have been determined through the use of external valuers and are deemed to be in line with Code guidance. Indexation is not applied to Assets Under Construction and Assets Held for Sale.

Changes to the valuation of non-current assets through indexation are accounted for as with revaluations, through the revaluation reserve or the surplus/deficit on the provision of services.

Full valuations of current values are determined as follows:-

- Land and non-specialised buildings – the amount that would be paid for the asset in its existing use value (EUV)
- Specialised buildings with no market based evidence – the depreciated replacement cost as an estimate of current value (DRC)
- Vehicles, plant and equipment – historic cost less accumulated depreciation (as a proxy for current replacement cost)
- Surplus property – fair value, estimated at highest and best use from a market participant's perspective.

Properties in the course of construction are carried at cost, less any impairment loss. Cost includes professional fees and other costs directly attributable to the construction of qualifying assets.

Assets are revalued and depreciation commences when they are brought into use.

An increase arising on revaluation is taken to the Revaluation Reserve except when it reverses an impairment previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A decrease on revaluation is recognised as an impairment charged to the Revaluation Reserve to the extent that there is a balance on the reserve for the asset, and, thereafter, to expenditure. Gains and losses recognised in the Revaluation Reserve are reported as other comprehensive income in the CIES.

- **Disposals**

Capital receipts over £10,000 from the sale of non-current assets are held in the Capital Receipts Unapplied account until such time as they are used to finance other capital expenditure or to repay debt. Individual receipts of less than £10,000 are shown as income within the CIES. Gains and losses on the disposal of non-current assets are recognised in the CIES.

## Intangible Assets

- **Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the PCC Group's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits or service potential will be provided to the PCC Group; where the cost of the asset can be measured reliably, and where the cost is at least £10,000.

Intangible assets acquired separately are measured at cost. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

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

- **Measurement**

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

Following initial recognition, intangible assets are carried at current value by reference to an active market, or where no active market exists, at amortised replacement cost (modern equivalent assets basis). Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

**Depreciation, amortisation and impairments**

Freehold land, properties under construction and vehicles in the process of preparation for operational use are not depreciated. Otherwise, depreciation and amortisation are charged to Cost of Services in the CIES to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, on a straight line basis. Depreciation and amortisation are not taken on additions to the capital base for the year. The estimated useful life of an asset is the period over which the PCC Group expects to obtain economic benefits or service potential from the asset. This is specific to the PCC Group and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

The range of applied useful lives (depreciation periods) are included below:

- Buildings 15 to 65 years
- Vehicles 1 to 11 years
- Boat 10 to 20 years
- Equipment 2 to 20 years
- Intangibles 5 years

At each reporting period end, the PCC Group checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

If there has been an impairment loss, the asset is written down to its recoverable amount, with the loss charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the asset and, thereafter, to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the Revaluation Reserve.

The PCC Group is not required to raise Council Tax to cover depreciation, impairment or amortisation. However, it is required to make an annual provision from its revenue budget to contribute towards the reduction in its overall borrowing requirement, the minimum revenue provision (MRP). The PCC Group has adopted, from 1 April 2019 the Asset Life Method to provide for MRP calculated by using the annuity method, for any capital expenditure funded from borrowing. MRP is not provided for assets in the course of construction.

**Government Grants**

All grants and contributions will only be credited to the CIES when all the grant conditions for the discharge of its specific use have been met. Grants where the conditions have not been satisfied are carried in the Balance Sheet as Grants Receipts in Advance. When the conditions have been satisfied, the grant or contribution will be credited to the CIES, either to cost of services or taxation and non-specific grant income.

**Leases**

The PCC Group classifies contracts as leases based on their substance. Contracts and parts of contracts are analysed to determine whether they convey the right to control the use of an individual asset, through rights both to obtain substantially all the economic benefits or service potential from the asset and to direct its use. This includes arrangements with nil consideration, peppercorn or nominal payments.

## The PCC Group as lessee

### Initial Measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date of 1 April 2024 if later). The leases are typically for fixed periods in excess of one year but may have extension or break clause options within them. The PCC Group uses the best available information at the time of preparing the accounts to determine if any of these options will be taken.

The PCC Group initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the PCC Groups incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments which depend on an index or rate and lease payments in an optional renewal period.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received.

However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

### Subsequent Measurement

The right-of-use asset is subsequently measured using either the cost model or the fair value model. The PCC Group considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases;
- leases where rent reviews do not necessarily reflect market conditions;
- leases with terms of more than five years that do not have any provision for rent reviews;
- leases where rent reviews will be at periods of more than five years.

For leases which do not meet the requirements to measure using the cost model, the asset is carried at a revalued amount using the fair value model.

The right-of-use asset is depreciated straight-line over the shorter period of the remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method. The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the PCC Groups estimate of the amount expected to be payable under a residual value guarantee
- the PCC Group changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

**Low Value and Short Term Lease exemptions**

As permitted by the CIPFA Code, the PCC Group excludes leases:

- for low value items that cost less than £10,000 when new, provided they are not highly dependant on or integrated with other items, and
- with a term shorter than 12 months

Lease rental payments for these exemptions are posted against the relevant command area within the surplus or deficit against service provision.

**The PCC Group as lessor**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the to the lessee. All other leases are classified as operating leases.

Where the PCC Group grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to revenue in the CIES.

**Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the PCC Group and the PCC's cash management.

**Provisions**

Provisions are recognised when the PCC Group has a present legal or constructive obligation as a result of a past event, it is probable that the PCC Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. In establishing a provision a charge is made as an expense to the CIES in the year that the PCC Group/PCC becomes aware of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. The provision stays on the Balance Sheet, and when payments are made, the charge is made against the provision. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

**Contingencies**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the PCC Group, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of payment is remote.

A contingent asset is a possible asset that arises from past events and existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the PCC Group. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

**Reserves**

The PCC Group and the PCC set aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the CIES in that year to score against the Surplus or Deficit on the account. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against Council Tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the PCC Group. Details of these reserves are provided in the relevant note to the financial statements.

**Financial Instruments**

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term 'Financial Instrument' covers both Financial Assets and Financial Liabilities and includes both the most straightforward Financial Assets and Liabilities such as trade receivables and trade payables and the most complex ones such as derivatives and embedded derivatives. IFRS 9 Financial Instruments has been adopted however the impact is minimal.

- **Financial Liabilities**

  Financial liabilities are recognised on the Balance Sheet when the PCC Group becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. They are initially measured at fair value and are carried at their amortised cost.

  For the borrowings that the force holds, this means that the amount presented in the Balance Sheet is the outstanding principal repayable, and the interest charged to the CIES is the amount payable for the year according to the loan agreement.

  Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired. The fair value of financial liabilities is disclosed in the notes to the financial statements.

- **Financial assets**

  Financial assets measured at amortised cost are recognised on the Balance Sheet when the PCC Group becomes a party to the contractual provisions of the financial instrument and are initially measured at fair value. They are subsequently measured at amortised cost. For the financial assets held by the PCC Group this means that the amount presented in the Balance Sheet is the outstanding principal receivable, and interest credited to the CIES is the amount receivable for the year in the loan agreement.

- **Loans and receivables held at amortised cost**

  Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

  Fair value is determined by reference to quoted market prices where possible, or failing that by reference to similar arm's length transactions between knowledgeable and willing parties.

  The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the initial fair value of the financial asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the asset reduced directly.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised

- **Fair value measurement of non-financial assets**

  The PCC Group measures its surplus assets at fair value at each reporting period. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

  The fair value measurement assumes that the transaction to sell the asset takes place either in the principal market for the asset, or in the absence of a principal market, in the most advantageous market for the asset.

  The PCC Group measures the fair value of an asset using the assumptions that market participants would use when pricing the asset, assuming that market participants act in their economic best interest.

**Jointly Controlled Operations**
The PCC Group engages in jointly controlled operations by collaborative working with other parties to deliver a number of specific services on a regional basis.

The PCC Group accounts in its financial statements for the assets it controls, the liabilities it incurs, the expenses that it incurs and the income it earns in relation to these arrangements.

**Accounting standards that have been issued but have not yet been adopted**
The standards and amendment to standards have been issued but not yet adopted:

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) – issued in March 2024
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) – issued in May 2024
- Annual improvements to IFRS accounting standards – Volume 11- issued in July 2024
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) – issued in December 2024

None of the above amendments are expected to have any material impact on future financial statements of the Police and Crime Commissioner. These standards are introduced by the 2026/27 Code, and therefore will be adopted within the 2026/27 statement of accounts.

**Accounting standards issued that have been adopted early**
There are no accounting standards issued that have been adopted early.

**Exceptional items**
Exceptional items shall be included in the costs of the service to which they relate and noted accordingly.

**Prior period adjustments**

Unless otherwise sanctioned by the CIPFA Code of Practice on Local Authority Accounting, material prior period adjustments shall result in restatement of prior year figures and disclosure of the effect.

**Events after the Reporting Period**

Material events after the balance sheet date, both favourable and unfavourable, that occur between the end of the reporting period and the date when Statement of Accounts is authorised for issue shall be disclosed as a note to the financial statements and the financial statements amended as required. Other events after the balance sheet date will be disclosed in a note with an estimate of the likely effect.

Two types of event can be identified as:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

**Value Added Tax (VAT)**

Most of the activities of the PCC Group are outside the scope of VAT and, in general, output tax does not apply. Input tax on purchases is largely recoverable from His Majesty's Revenue and Customs. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase costs of property, plant and equipment. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

# NOTES TO THE CORE FINANCIAL STATEMENTS


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## 1. EXPENDITURE AND FUNDING ANALYSIS FOR THE PCC GROUP

The statements below show how annual expenditure is used and funded from resources (government grants and council tax) by the PCC Group in comparison with those resources consumed or earned by the PCC Group in accordance with generally accepted accounting practices. They also show how this expenditure is allocated for decision making purposes between the PCC Group's operating functions. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

### EXPENDITURE AND FUNDING ANALYSIS – PCC GROUP

| Year Ended 31 March 2025 | | | | Year Ended 31 March 2026 | | |
|---|---|---|---|---|---|---|
| Net Expenditure Chargeable to the General Fund | Adjustments between Accounting and Funding Basis | Net Expenditure in the Comprehensive Income and Expenditure Statement | | Net Expenditure Chargeable to the General Fund | Adjustments between Accounting and Funding Basis | Net Expenditure in the Comprehensive Income and Expenditure Statement |
| £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 |
| 57,158 | (4,759) | **52,399** | Northbank Division | 56,107 | (6,873) | **49,234** |
| 39,210 | (3,418) | **35,792** | Southbank Division | 37,644 | (4,907) | **32,737** |
| 21,287 | 962 | **22,249** | Force Control Room | 22,407 | (514) | **21,893** |
| 0 | 0 | **0** | Safeguarding (previously part of Specialist in 24/25) | 17,053 | (3,027) | **14,026** |
| 9,792 | (356) | **9,436** | Regional Collaboration | 10,636 | (456) | **10,180** |
| 16,696 | (1,228) | **15,468** | Special Operations Unit | 18,030 | (2,141) | **15,889** |
| 34,241 | (2,891) | **31,350** | Specialist Crime | 19,762 | (1,496) | **18,266** |
| 13,751 | (450) | **13,301** | People Services | 14,804 | (1,308) | **13,496** |
| 9,838 | 195 | **10,033** | Estates Services | 9,205 | (10) | **9,195** |
| 14,264 | (62) | **14,202** | Information Services | 15,556 | (85) | **15,471** |
| 4,555 | 13 | **4,568** | Corporate Development | 4,511 | (229) | **4,282** |
| 7,006 | 241 | **7,247** | Criminal Justice | 12,642 | (379) | **12,263** |
| 30,166 | (29,098) | **1,068** | Centrally Managed Services | 30,349 | (31,737) | **(1,388)** |
| 20,007 | 205 | **20,212** | Other Services | 20,988 | (1,153) | **19,835** |
| 5,826 | 111 | **5,937** | Police & Crime Commissioner | 4,398 | (21) | **4,377** |
| **283,797** | **(40,535)** | **243,262** | **Net Cost of Services** | **294,092** | **(54,336)** | **239,756** |
| (275,340) | 69,064 | (206,276) | Other Income and Expenditure | (288,996) | 71,740 | (217,256) |
| **8,457** | **28,529** | **36,986** | **(Surplus) or Deficit** | **5,096** | **17,404** | **22,500** |
| **25,693** | | | Opening General Fund Balance | **17,236** | | |
| (8,457) | | | Add: Surplus/(Deficit) on General Fund in year | (5,096) | | |
| **17,236** | | | Closing General Fund Balance | **12,140** | | |

## 2. EXPENDITURE AND FUNDING ANALYSIS – ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS – PCC GROUP

| Year Ended 31 March 2025 | | | | | Year Ended 31 March 2026 | | | |
|---|---|---|---|---|---|---|---|---|
| Adjustments for Capital Purposes (Note i) | Net Change for the Pensions Adjustments (Note ii) | Other Differences (Note iii) | Total Adjustments | Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts | Adjustments for Capital Purposes (Note i) | Net Change for the Pensions Adjustments (Note ii) | Other Differences (Note iii) | Total Adjustments |
| £'000 | £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 | £'000 |
| 4,289 | (8,806) | (242) | **(4,759)** | Northbank Division | 2,323 | (9,334) | 138 | **(6,873)** |
| 2,909 | (6,161) | (166) | **(3,418)** | Southbank Division | 1,559 | (6,443) | (23) | **(4,907)** |
| 1,722 | (685) | (75) | **962** | Force Control Room | 994 | (1,455) | (53) | **(514)** |
| - | - | - | - | Safeguarding (previously part of Specialist in 24/25) | - | (3,027) | - | **(3,027)** |
| 161 | (518) | 1 | **(356)** | Regional Collaboration | 90 | (554) | 8 | **(456)** |
| 1,340 | (2,518) | (50) | **(1,228)** | Special Operations Unit | 791 | (2,964) | 32 | **(2,141)** |
| 2,343 | (5,151) | (83) | **(2,891)** | Specialist Crime | 1,350 | (2,883) | 37 | **(1,496)** |
| 738 | (1,152) | (36) | **(450)** | People Services | 440 | (1,744) | (4) | **(1,308)** |
| 204 | (18) | 9 | **195** | Estates Services | 106 | (94) | (22) | **(10)** |
| 61 | (123) | - | **(62)** | Information Services | 41 | (126) | - | **(85)** |
| 424 | (339) | (72) | **13** | Corporate Development | 252 | (473) | (8) | **(229)** |
| 456 | (203) | (12) | **241** | Criminal Justice | 494 | (936) | 63 | **(379)** |
| - | (29,118) | 20 | **(29,098)** | Centrally Managed Services | - | (31,729) | (8) | **(31,737)** |
| 899 | (858) | 164 | **205** | Other Services | 510 | (1,444) | (219) | **(1,153)** |
| 116 | (15) | 10 | **111** | Police & Crime Commissioner | 70 | (80) | (11) | **(21)** |
| **15,662** | **(55,665)** | **(532)** | **(40,535)** | **Net Cost of Services** | **9,020** | **(63,286)** | **(70)** | **(54,336)** |
| (8,901) | 78,119 | (154) | **69,064** | Other Income and Expenditure | (9,221) | 80,014 | 947 | **71,740** |
| **6,761** | **22,454** | **(686)** | **28,529** | **(Surplus) or Deficit** | **(201)** | **16,728** | **877** | **17,404** |

## 3. EXPENDITURE AND FUNDING ANALYSIS FOR THE PCC

The statements below show how annual expenditure is used and funded from resources (government grants and council tax) by the PCC in comparison with those resources consumed or earned by the PCC in accordance with generally accepted accounting practices. They also show how this expenditure is allocated for decision making purposes between the PCC's operating functions. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

### EXPENDITURE AND FUNDING ANALYSIS – PCC

| Year Ended 31 March 2025 | | | | Year Ended 31 March 2026 | | |
|---|---|---|---|---|---|---|
| Net Expenditure Chargeable to the General Fund | Adjustments between Accounting and Funding Basis | Net Expenditure in the Comprehensive Income and Expenditure Statement | | Net Expenditure Chargeable to the General Fund | Adjustments between Accounting and Funding Basis | Net Expenditure in the Comprehensive Income and Expenditure Statement |
| £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 |
| (4,459) | 4,289 | **(170)** | Northbank Division | (2,557) | 2,323 | **(234)** |
| (4,076) | 2,909 | **(1,167)** | Southbank Division | (2,648) | 1,559 | **(1,089)** |
| (1,949) | 1,722 | **(227)** | Force Control Room | (1,309) | 994 | **(315)** |
| 0 | - | - | Safeguarding (previously part of Specialist in 24/25) | (106) | - | **(106)** |
| (3,052) | 161 | **(2,891)** | Regional Collaboration | (3,056) | 90 | **(2,966)** |
| (2,715) | 1,340 | **(1,375)** | Special Operations Unit | (2,444) | 791 | **(1,653)** |
| (4,819) | 2,343 | **(2,476)** | Specialist Crime | (3,103) | 1,350 | **(1,753)** |
| (796) | 738 | **(58)** | People Services | (502) | 440 | **(62)** |
| (4,931) | 204 | **(4,727)** | Estates Services | (5,529) | 106 | **(5,423)** |
| (1,030) | 61 | **(969)** | Information Services | (444) | 41 | **(403)** |
| (1,242) | 424 | **(818)** | Corporate Development | (1,116) | 252 | **(864)** |
| (592) | 456 | **(136)** | Criminal Justice | (633) | 494 | **(139)** |
| (10,135) | - | **(10,135)** | Centrally Managed Services | (12,786) | - | **(12,786)** |
| (9,041) | 899 | **(8,142)** | Other Services | (8,515) | 510 | **(8,005)** |
| 5,826 | 111 | **5,937** | Police & Crime Commissioner | 4,398 | (21) | **4,377** |
| 326,808 | - | **326,808** | Intra-Group Funding | 334,441 | - | **334,441** |
| **283,797** | **15,657** | **299,454** | **Net Cost of Services** | **294,091** | **8,929** | **303,020** |
| (275,340) | (9,131) | (284,471) | Other Income and Expenditure | (288,995) | (8,463) | (297,458) |
| **8,457** | **6,526** | **14,983** | **(Surplus) or Deficit** | **5,096** | **466** | **5,562** |
| **17,236** | | | Opening General Fund Balance | **17,236** | | |
| (8,457) | | | Add: Surplus/(Deficit) on General Fund in year | (5,096) | | |
| **8,779** | | | Closing General Fund Balance | **12,140** | | |

## 4. EXPENDITURE AND FUNDING ANALYSIS – ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS – PCC

| Year Ended 31 March 2025 | | | | | Year Ended 31 March 2026 | | | |
|---|---|---|---|---|---|---|---|---|
| Adjustments for Capital Purposes (Note i) | Net Change for the Pensions Adjustments (Note ii) | Other Differences (Note iii) | Total Adjustments | Adjustments from the General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts | Adjustments for Capital Purposes (Note i) | Net Change for the Pensions Adjustments (Note ii) | Other Differences (Note iii) | Total Adjustments |
| £'000 | £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 | £'000 |
| 4,289 | - | - | **4,289** | Northbank Division | 2,323 | - | - | **2,323** |
| 2,909 | - | - | **2,909** | Southbank Division | 1,559 | - | - | **1,559** |
| 1,722 | - | - | **1,722** | Force Control Room | 994 | - | - | **994** |
| - | - | - | - | Safeguarding (previously part of Specialist in 24/25) | - | - | - | - |
| 161 | - | - | **161** | Regional Collaboration | 90 | - | - | **90** |
| 1,340 | - | - | **1,340** | Special Operations Unit | 791 | - | - | **791** |
| 2,343 | - | - | **2,343** | Specialist Crime | 1,350 | - | - | **1,350** |
| 738 | - | - | **738** | People Services | 440 | - | - | **440** |
| 204 | - | - | **204** | Estates Services | 106 | - | - | **106** |
| 61 | - | - | **61** | Information Services | 41 | - | - | **41** |
| 424 | - | - | **424** | Corporate Development | 252 | - | - | **252** |
| 456 | - | - | **456** | Criminal Justice | 494 | - | - | **494** |
| - | - | - | - | Centrally Managed Services | - | - | - | - |
| 899 | - | - | **899** | Other Services | 510 | - | - | **510** |
| 116 | (15) | 10 | **111** | Police & Crime Commissioner | 70 | (80) | (11) | **(21)** |
| **15,662** | **(15)** | **10** | 15,657 | **Net Cost of Services** | **9,020** | **(80)** | **(11)** | 8,929 |
| (8,901) | (76) | (154) | **(9,131)** | Other Income and Expenditure | (9,221) | (189) | 947 | **(8,463)** |
| **6,761** | **(91)** | **(144)** | 6,526 | **(Surplus) or Deficit** | **(201)** | **(269)** | **936** | **466** |

**Note i – Adjustments for Capital Purposes**
This adds in depreciation and impairments in the service line and for:

- Other Operating Expenditure – adjusts for losses on sale of assets.
- Financing and Investment Income and Expenditure - the statutory charges for capital financing (i.e. Minimum Revenue Provision and other revenue contributions) are deducted from income and expenditure as these are not chargeable under generally accepted accounting practices.
- Taxation and Non-Specific Grant Income – Capital grants are adjusted for income not chargeable under generally accepted accounting practices.

**Note ii – Net change for the Pensions Adjustments**
This is the net change for the removal of pension contributions and IAS19 Employee Benefits related expenditure and income:

- For service lines, this represents the removal of employer pension contributions as allowed by statute and the replacement with current service costs and past service costs.
- Financing and Investment Income and Expenditure – the net interest on the defined benefit liabilities is charged to the Comprehensive Income and Expenditure Statement.

**Note iii – Other Differences**
These represent other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For service lines, this represents the movement in the timing difference on employee benefits for accumulated absences.
- Taxation and Non-Specific Grant Income – adjustment is made for the movement in the timing difference on the Council Tax Collection Fund.

## 5. INTERCOMPANY FUNDING

As the Chief Constable has no resources with which to fulfil devolved responsibilities to provide a policing service, the expenditure is funded by the PCC.

These transactions are reflected in the intra-group accounts of both entities.

The tables below show the movement through the intra-group accounts within the respective Balance Sheets during 2025/26 and 2024/25 and show that there are no outstanding intra-group balances at the year end date, other than resulting from year end accounting adjustments in respect of payroll balances, as the PCC paid for all the financial resources consumed at the request of the Chief Constable and an intra-group adjustment was made to offset the Chief Constable's consumption of resources.

The funding covers the day to day expenses on an accruals basis as well as charges for operational assets consumed in the year. The funding does not cover IAS 19 pension charges and charges for compensated absences as these charges (in the Chief Constable's Comprehensive Income and Expenditure Statement) are reversed in the Chief Constable's Movement in Reserves Statement and charged to the Chief Constable's unusable Pensions Reserve and Accumulated Absences Adjustment Account.

The Comprehensive Income and Expenditure Statement (CIES) for the PCC and the PCC Group are at summary level. This is because the Net Cost of Policing sub-total within the PCC CIES includes not only the cost of administering the PCC itself, but also payment for PCC resources consumed at the request of the Chief Constable. The decision to account for this expenditure within the PCC Net Cost of Policing Services is in the same format that it is reported to management. In contrast, in the Chief Constable's CIES the Net Cost of Policing is nil, apart from the year end adjustments for pensions actuarial adjustments and accumulated absences, as the Resources consumed at the request of the Chief Constable are completely offset by the intra-group adjustment.

| **Intra-Group Movements 2025-2026:** | **PCC** | **Chief Constable** | **PCC Group** |
|---|---|---|---|
| | **£'000** | **£'000** | **£'000** |
| Opening Balance as at 1 April 2025 | (6,264) | 6,264 | - |
| PCC resources consumed at the request of the Chief Constable | 334,441 | (334,441) | - |
| PCC intra-group adjustment (resource funding) | (334,441) | 334,441 | - |
| | **(6,264)** | **6,264** | - |
| Year end adjustments: | | | |
| Accumulated absences movement | 60 | (60) | - |
| Pensions actuarial adjustments | 112,299 | (112,299) | - |
| PCC intra-group adjustment | (112,358) | 112,358 | - |
| Payroll creditors and debtors movement | (689) | 689 | - |
| **Closing Balance as at 31 March 2026** | **(6,952)** | **6,952** | - |
| | | | |
| **Intra-Group Movements 2024-2025:** | | | |
| Opening Balance as at 1 April 2024 | (5,949) | 5,949 | - |
| PCC resources consumed at the request of the Chief Constable | 326,808 | (326,808) | - |
| PCC intra-group adjustment (resource funding) | (326,808) | 326,808 | - |
| | **(5,949)** | **5,949** | - |
| Year end adjustments: | | | |
| Accumulated absences movement | 542 | (542) | - |
| Pensions actuarial adjustments | 247,346 | (247,346) | - |
| PCC intra-group adjustment | (247,888) | 247,888 | - |
| Payroll creditors and debtors movement | (315) | 315 | - |
| **Closing Balance as at 31 March 2025** | **(6,264)** | **6,264** | - |

## 6. SUMMARY SPENDING DETAILS

The statements below show the cost of providing services for the PCC Group for 2025/26 and 2024/25. The costs have been split between the Chief Constable and the PCC to separately identify the resources consumed at the request of the Chief Constable from those costs exclusively incurred by the PCC.

| Year Ended 31 March 2025 | | | | Year Ended 31 March 2026 | | |
|---|---|---|---|---|---|---|
| PCC | Chief Constable | PCC Group | | PCC | Chief Constable | PCC Group |
| £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 |
| | | | **Expenditure** | | | |
| 1,737 | 198,863 | 200,600 | Pay and Other Employment Costs | 1,907 | 202,316 | 204,223 |
| - | 12,306 | 12,306 | Premises | - | 12,212 | 12,212 |
| 6 | 2,908 | 2,914 | Transport | 7 | 3,232 | 3,239 |
| 574 | 14,958 | 15,532 | Supplies and Services | 664 | 15,577 | 16,241 |
| 8,035 | 26,034 | 34,069 | Third Party Payments | 6,821 | 28,890 | 35,711 |
| 116 | 15,547 | 15,663 | Capital Charges & Impairment of Assets | 70 | 8,950 | 9,020 |
| - | - | - | Non Distributable Cost | - | - | - |
| **10,468** | **270,616** | **281,084** | **Total Expenditure** | **9,469** | **271,177** | **280,646** |
| | | | **Income** | | | |
| (17,356) | - | (17,356) | Specific Government Grants | (20,238) | - | (20,238) |
| (1,614) | - | (1,614) | Other Grant Income | (825) | - | (825) |
| (4,955) | - | (4,955) | Sales, Fees & Charges | (5,732) | - | (5,732) |
| (13,534) | - | (13,534) | Reimbursements | (13,658) | - | (13,658) |
| (362) | - | (362) | Other Income | (437) | - | (437) |
| **(37,822)** | - | **(37,822)** | **Total Income** | **(40,890)** | - | **(40,890)** |
| 326,808 | (326,808) | - | Intra-Group Adjustments | 334,441 | (334,441) | - |
| **299,454** | **(56,192)** | **243,262** | **Net Cost of Policing Services** | **303,020** | **(63,264)** | **239,756** |

### OPCC OPERATIONAL INCOME AND EXPENDITURE

The operational income and expenditure of the Office of the Police and Crime Commissioner is shown below.

| 2024/25 | | 2025/26 |
|---|---|---|
| £'000 | | £'000 |
| 1,742 | Staff | 1,997 |
| 6 | Transport | 7 |
| 574 | Supplies and Services | 663 |
| 8,035 | Third Party Payments | 6,899 |
| (85) | Fees & Charges and Other Income | (1,148) |
| (4,446) | Specific Grants | (3,944) |
| **5,826** | | **4,474** |

Third Party Payments comprise contributions made by the Commissioner in respect of community safety initiatives.

## 7. PENSIONS INCOME & EXPENDITURE ACCOUNT

The cost of retirement benefits is recognised in the CIES with the inclusion of the amount reflecting the net cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions.

However, the charge that is required to be made against Council Tax is based on the cash payable in the year. The real cost of retirement benefits is deducted in the Statement of Movement in the General Fund Balance and replaced with actual pensions paid/contributions.

The following transactions have been made in the CIES and Statements of Movement in the General Fund Balance during the year:

| PCC Group | Local Government Pension Scheme | | Police Pension Schemes | |
|---|---|---|---|---|
| | 31 March 2026 £'000 | 31 March 2025 £'000 | 31 March 2026 £'000 | 31 March 2025 £'000 |
| **Comprehensive Income and Expenditure Statement** | | | | |
| Net Cost of Service | | | | |
| Current Service Cost (Gross) | 6,186 | 8,532 | 9,870 | 12,920 |
| Non Distributed Costs | - | 343 | - | - |
| Reversal of IAS19 Contributions | (9,121) | (9,128) | (70,219) | (68,332) |
| | **(2,935)** | **(253)** | **(60,349)** | **(55,412)** |
| Net Operating Expenditure | | | | |
| Interest Cost | 13,978 | 13,452 | 86,940 | 81,180 |
| Interest Income | (20,904) | (16,514) | - | - |
| | **(6,926)** | **(3,062)** | **86,940** | **81,180** |
| **Net Charge to the Comprehensive Income and Expenditure Statement** | **(9,861)** | **(3,315)** | **26,591** | **25,768** |
| **Statement of Movement in the General Fund Balance** | | | | |
| Reversal of Net Charges made for Retirement Benefits in Accordance with IAS19 | 9,861 | 3,315 | (26,591) | (25,768) |
| **Actual amount charged against the General Fund Balance for Pensions in the Year** | | | | |
| Employer's Contributions Payable to Scheme | 9,025 | 8,864 | 29,390 | 28,233 |
| Police Officer Injury and Ill Health Pension Costs | - | - | 2,241 | 1,904 |

| PCC | Local Government Pension Scheme | |
|---|---|---|
| | 31 March 2026 £'000 | 31 March 2025 £'000 |
| **Comprehensive Income and Expenditure Statement** | | |
| Net Cost of Service | | |
| Current Service Cost (Gross) | 168 | 215 |
| Non Distributed Costs | - | - |
| Reversal of IAS19 Contributions | (249) | (230) |
| | **(81)** | **(15)** |
| Net Operating Expenditure | | |
| Interest Cost | 381 | 339 |
| Interest Income | (569) | (416) |
| | **(188)** | **(77)** |
| **Net Charge to the Comprehensive Income and Expenditure Statement** | **(269)** | **(92)** |
| **Statement of Movement in the General Fund Balance** | | |
| Reversal of Net Charges made for Retirement Benefits in Accordance with IAS19 | 269 | 92 |
| **Actual amount charged against the General Fund Balance for Pensions in the Year** | | |
| Employer's Contributions Payable to Scheme | 246 | 224 |

## 8. OTHER OPERATING INCOME AND EXPENDITURE

Other Operating Income and Expenditure includes the gain or loss on the sale of non-current assets during the year as follows:

| 2024/25 | | | | 2025/26 | | |
|---|---|---|---|---|---|---|
| Net Book Value £'000 | Receipt £'000 | Total £'000 | | Net Book Value £'000 | Receipt £'000 | Total £'000 |
| 350 | (337) | 13 | Land and Buildings (Held for Sale) | - | - | - |
| **350** | **(337)** | **13** | **(Gain)/Losses from the Sale of Non Current Assets** | - | - | - |
| 112 | (21) | 91 | Vehicles, Plant and Equipment | 128 | (23) | 105 |
| - | - | - | Intangible Assets | - | - | - |
| **112** | **(21)** | **91** | | **128** | **(23)** | **105** |
| **462** | **(358)** | **104** | **(Gain)/Losses on the Sale of Non Current Assets** | **128** | **(23)** | **105** |

## 9. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

Financing and Investment Income and Expenditure includes corporate items of income and expenditure which arise from the PCC Groups involvement in financial instruments and similar items.

In the case of the PCC Group this includes both interest payable and receivable during the year, along with the net pensions interest cost.

| PCC Group 2024/25 £'000 | PCC 2024/25 £'000 | | PCC Group 2025/26 £'000 | PCC 2025/26 £'000 |
|---|---|---|---|---|
| 2,724 | 2,724 | Interest payable and similar charges | 2,649 | 2,649 |
| 76 | 76 | Interest cost on lease liabilties | 69 | 69 |
| 78,118 | (77) | Pensions interest cost net of interest on pension assets | 80,014 | (188) |
| (1,666) | (1,666) | Interest receivable | (890) | (890) |
| **79,252** | **1,057** | | **81,842** | **1,640** |

## 10. TAXATION AND NON SPECIFIC GRANT INCOME

Taxation and Non-Specific Grant Income contains all un-ringfenced grants and contributions, including council tax income, receivable during the year which cannot be identified to a particular service line within cost of services.

All capital grants and contributions are included within this line, even if they are service specific.

| 2024/25<br>£'000 | | 2025/26<br>£'000 |
|---|---|---|
| 82,283 | Council Tax Income | 87,079 |
| 166,258 | General Government Grants | 174,217 |
| 36,179 | Police Pensions Top Up Grant receivable | 36,752 |
| - | Donated Assets | 214 |
| 912 | Capital Grants | 941 |
| **285,632** | | **299,203** |

The Council Tax Income includes the actual income received in year (see Note 11) plus an adjustment for the difference between estimated and actual surplus/deficits on the collection fund.

A breakdown of general government grants are included in Note 12 along with a breakdown of service specific revenue grants included within the cost of services in the CIES.

## 11. PRECEPTS AND COUNCIL TAX INCOME

The precepts raised for the year are as follows;

**2025/26**

| BAND | A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|
| Rate £ | 196.78 | 229.58 | 262.37 | **295.17** | 360.76 | 426.36 | 491.95 | 590.34 |

**2024/25**

| BAND | A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|
| Rate £ | 187.45 | 218.70 | 249.94 | **281.18** | 343.66 | 406.15 | 468.63 | 562.36 |

The Council Tax precept income collected from each of the Local Authorities for the financial year is:

| 2024/25 £000 | | 2025/26 £000 |
|---|---|---|
| 35,546 | East Riding of Yorkshire Council | 38,648 |
| 18,490 | Kingston Upon Hull City Council | 19,905 |
| 13,772 | North East Lincolnshire Council | 14,158 |
| 14,321 | North Lincolnshire Council | 15,314 |
| **82,129** | | **88,025** |

## 12. GRANT INCOME

The PCC Group receive a number of non-ringfenced general grants from central government. These grants are included within Taxation and Non-Specific Grant Income and are as follows:

| 2024/25 £000 | | 2025/26 £000 |
|---|---|---|
| 147,340 | Police Revenue Grant | 152,804 |
| 8,341 | Council Tax Support Grants | 8,341 |
| 6,238 | Police Pension Grant | 5,763 |
| - | NI Contribution Grant | 3,675 |
| 2,639 | Police Pay Award Grant | 1,933 |
| 1,700 | Council Tax Freeze Grants | 1,700 |
| **166,258** | **Total General Government Grants** | **174,216** |

Additional service specific grants were received from numerous bodies and are included as part of total income in cost of services. Details of those grants that are £0.500m and above are shown below:

| 2024/25 £000 | | 2025/26 £000 |
|---|---|---|
| 9,155 | Recruitment Uplift Programme Grant (Home Office) | 8,171 |
| - | Neighbourhood Policing Grant (Home Office) | 3,223 |
| 1,988 | Victims Support Grant (Ministry of Justice) | 1,983 |
| 1,914 | Serious Violence GRIP Funding (Home Office) | 1,397 |
| 1,288 | DSP Port Security Armed Response (Home Office) | 1,350 |
| 1,176 | Violence Prevention Partnership Grant (Home Office) | 1,186 |
| 1,062 | Counter Terrorism Borders Funding (Home Office) | 1,096 |
| 593 | Special Branch Funding (Home Office) | 563 |
| **17,176** | | **18,969** |

## 13. EXTERNAL AUDIT FEES

| 2024/25 | | | | 2025/26 | | |
|---|---|---|---|---|---|---|
| PCC GROUP £'000 | PCC £'000 | CC £'000 | | PCC GROUP £'000 | PCC £'000 | CC £'000 |
| 159 | 106 | 53 | Base Audit Fees | 164 | 109 | 55 |
| 20 | 13 | 7 | Fees due relating to prior years | 9 | 5 | 4 |
| (20) | (13) | (7) | Redmond Review Audit Fees Grant | (20) | (14) | (6) |
| **159** | **106** | **53** | | **153** | **100** | **53** |

The table above presents the external audit fees payable to Forvis Mazars LLP for 2025/26.

As part of the auditor fee variation process ran by the PSAA, additional fees can be submitted by Forvis Mazars relating to additional work required. Any fee variations requested are included as 'Fees due relating to prior years' in the year of payment.

As part of the Redmond Review into Local Government audit arrangements grant of £0.020m has been received for 2025/26 (0.020m 2024/25) to aid in funding additional audit fees incurred.

## 14. OFFICERS' REMUNERATION AND EXIT PACKAGES

### OFFICERS' REMUNERATION - BANDINGS

The number of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £5,000 was:

| 2024/25 | | | | | 2025/26 | | | |
|---|---|---|---|---|---|---|---|---|
| Police Officers No.s | Police Staff - PCC No.s | Police Staff - CC No.s | Total No.s | Remuneration Band £ | Police Officers No.s | Police Staff - PCC No.s | Police Staff - CC No.s | Total No.s |
| - | 4 | 34 | **38** | 50,000 - 54,999 | - | 6 | 31 | **37** |
| 3 | - | 21 | **24** | 55,000 - 59,999 | - | - | 31 | **31** |
| - | - | 4 | **4** | 60,000 - 64,999 | - | - | 4 | **4** |
| - | - | 5 | **5** | 65,000 - 69,999 | 2 | - | 4 | **6** |
| - | 1 | 2 | **3** | 70,000 - 74,999 | 1 | - | 5 | **6** |
| - | 2 | 1 | **3** | 75,000 - 79,999 | - | 2 | 1 | **3** |
| - | - | - | - | 80,000 - 84,999 | - | 1 | - | **1** |
| 1 | - | 1 | **2** | 85,000 - 89,999 | - | - | 1 | **1** |
| - | - | 2 | **2** | 90,000 - 94,999 | - | - | 3 | **3** |
| 1 | - | 1 | **2** | 95,000 - 99,999 | 1 | - | 2 | **3** |
| 2 | - | - | **2** | 100,000 - 104,999 | - | - | - | - |
| 3 | - | - | **3** | 105,000 - 109,999 | 1 | - | - | **1** |
| 1 | - | 1 | **2** | 110,000 - 114,999 | - | - | - | - |
| 1 | 1 | - | **2** | 115,000 - 119,999 | 3 | - | 1 | **4** |
| - | - | - | - | 120,000 - 124,999 | - | 1 | - | **1** |
| - | - | - | - | 125,000 - 129,999 | - | - | - | - |
| 1 | - | - | **1** | 130,000 - 134,999 | - | - | - | - |
| - | - | - | - | 135,000 - 139,999 | 2 | - | - | **2** |
| 1 | - | 1 | **2** | 140,000 - 144,999 | - | - | - | - |
| 1 | - | - | **1** | 145,000 - 149,999 | - | - | 1 | **1** |
| - | - | - | - | 190,000-194,999 | 1 | | | **1** |
| - | - | - | - | 225,000-229,999 | 1 | - | - | **1** |
| **15** | **8** | **73** | **96** | | **12** | **10** | **84** | **106** |

The police officer figures within the table above have been amended from previous years accounts to only include 'Senior Police Officers' as per the CIPFA Code. Senior Police Officers are defined as a member a police force holding a rank above that of superintendent (i.e chief superintendent and above) Prior to this years accounts officers of all ranks where included within the above table.

The officers disclosed separately in senior officers' remuneration table below are included in the bands above.

A number of employees work in shared services with other regional forces. Disclosure of such employees is made in the accounts of the force that holds the employment contract of those individuals.

## OFFICERS' REMUNERATION – SENIOR OFFICERS

The remuneration paid to senior employees and senior police officers is as follows:

| Post Holder<br>2025/26 | Salary (Including Fees & Allowances)<br>£000 | Other Emoluments<br>£000 | Total Remuneration excluding Pension Contributions<br>£000 | Pension Contributions<br>£000 | Total Remuneration including Pension Contributions<br>£000 |
|---|---|---|---|---|---|
| **Chief Constable** | | | | | |
| Chief Constable (from 7th April 2025) - Christopher Todd | 228 | - | **228** | 64 | **292** |
| Deputy Chief Constable (from 8th August 2023 to 17th September 2025) - David Marshall | 69 | - | **69** | 24 | **93** |
| Deputy Chief Constable (from 30th August 2025 ) - Sarah Baker | 138 | - | **138** | 32 | **170** |
| Assistant Chief Constable - Local Policing and Community Safety - Michael Walker | 137 | - | **137** | 47 | **184** |
| Assistant Chief Constable - Corporate Services & Operations (from 30th December 2024 to 29th August 2025) - Sarah Baker | 55 | - | **55** | 19 | **74** |
| Assistant Chief Constable - Specialist Crime & Criminal Justice - Andrew Walker | 121 | - | **121** | 43 | **164** |
| Assistant Chief Officer Resources - Christopher Philpott | 150 | - | **150** | 25 | **175** |
| | **898** | - | **898** | **254** | **1,152** |
| **PCC** | | | | | |
| Police and Crime Commissioner | 81 | | **81** | 15 | **96** |
| Chief Executive | 116 | 6 | **122** | 22 | **144** |
| | **197** | 6 | **203** | **37** | **240** |
| **PCC Group Total** | **1,095** | **6** | **1,101** | **291** | **1,392** |

| Post Holder<br>2024/25 | Salary (Including Fees & Allowances)<br>£000 | Other Emoluments<br>£000 | Total Remuneration excluding Pension Contributions<br>£000 | Pension Contributions<br>£000 | Total Remuneration including Pension Contributions<br>£000 |
|---|---|---|---|---|---|
| **Chief Constable** | | | | | |
| Chief Constable (from 1st July 2024) - Judith Heaton | 144 | - | **144** | - | **144** |
| Chief Constable (until 30th June 2024) - Paul Anderson | 104 | - | **104** | - | **104** |
| Deputy Chief Constable - David Marshall | 146 | - | **146** | 51 | **197** |
| Assistant Chief Constable - Corporate Services & Operations (until 4th November 2024) | 78 | 5 | **83** | 24 | **107** |
| Assistant Chief Constable - Local Policing & Community Safety (until 12th February 2025) | 117 | - | **117** | 41 | **158** |
| Assistant Chief Constable - Specialist Crime & Criminal Justice (until 31st December 2024) - Local Policing & Community Safety (from 1st January 2025) | 125 | - | **125** | 39 | **164** |
| Assistant Chief Constable - Corporate Services & Operations (from 30th December 2024) | 33 | - | **33** | 12 | **45** |
| Assistant Chief Constable - Specialist Crime & Criminal Justice (from 13th January 2025) | 25 | - | **25** | 9 | **34** |
| Assistant Chief Officer Resources | 144 | - | **144** | 24 | **168** |
| | **916** | 5 | **921** | **200** | **1,121** |
| **PCC** | | | | | |
| Police and Crime Commissioner | 78 | - | **78** | 14 | **92** |
| Chief Executive | 116 | - | **116** | 21 | **137** |
| | **194** | - | **194** | **35** | **229** |
| **PCC Group Total** | **1,110** | **5** | **1,115** | **235** | **1,350** |

In addition to the above the PCC Chief Finance Officer (Section 151) is seconded from Humberside Fire. Humberside Police and Crime Commissioner contribute towards 40% of their salary, NI and pension costs. In 2025/26 the force paid £55k for salary costs (2024/25 £51k) and £10k for pension costs (2024/25 £9k).

**OFFICERS' REMUNERATION – EXIT PACKAGES**

The numbers of employee compulsory and voluntary exit packages agreed with total cost per band and total cost of the redundancies are set out below:

| | 2025/26 | | | |
|---|---|---|---|---|
| Exit Package Cost Band £ | No. of compulsory redundancies | No. of other agreed departures | Total No. of exit packages by cost band | Total cost of exit packages in each band £000 |
| 0 - 20,000 | - | 3 | 3 | 19 |
| 20,001 - 40,000 | - | 2 | 2 | 55 |
| | - | 5 | 5 | 74 |

| | 2024/25 | | | |
|---|---|---|---|---|
| Exit Package Cost Band £ | No. of compulsory redundancies | No. of other agreed departures | Total No. of exit packages by cost band | Total cost of exit packages in each band £000 |
| 0 - 20,000 | - | 6 | 6 | 41 |
| 20,001 - 40,000 | 1 | 2 | 3 | 96 |
| 60,001 - 80,000 | - | 1 | 1 | 78 |
| 120,001 - 140,000 | 1 | - | 1 | 135 |
| | 2 | 9 | 11 | 350 |

## 15. REGIONAL COLLABORATION

### REGIONAL COLLABORATION BOARD (RCB)

The Regional Collaboration Programme was developed to bring opportunities to participating Forces across many policing activities whilst retaining local Police Forces, local identity and local accountability.

A Regional Collaboration Board has governance of the arrangements. This Board comprises the four PCCs within the Yorkshire and Humberside Region together with their respective Chief Constables and Chief Executives. The arrangements are subject to agreement under Section 22A of the Police Act 1996 (as amended).

Regional Collaboration is funded from contributions made by the four participating PCCs and the level of contribution from each PCC is dependent upon an assessment of the benefit to be derived from each specific project or initiative.

The North East Collaboration Board has been established between Humberside, the three Yorkshire forces and Cleveland, Durham and Northumbria.

### LEAD FORCE COLLABORATION ARRANGEMENTS

A Lead Force model has been adopted for each functional area of regional collaboration, with the Regional Collaboration Board having governance over all the arrangements.

The PCC for Humberside has Lead Force responsibility within the regional programme for Underwater Search services.

The Underwater Search Unit made a surplus of £18.8k in the financial year 2025/26 (Surplus £0.7k in 2024/25) with the PCC for Humberside contributing £465k (£496k in 2024/25).

The PCC for Humberside has made contributions during the year ended 31 March 2026 to other Lead Forces as follows:

| Lead Force | Functional Area | Contributions Made | |
|---|---|---|---|
| | | 2025/26 £'000 | 2024/25 £'000 |
| South Yorkshire Mayoral Combined Authority | Stores | 185 | 162 |
| West Yorkshire Mayoral Combined Authority | Serious and Organised Crime | 3,420 | 3,088 |
| | Scientific Support | 5,661 | 5,226 |
| | Collision Investigation | 805 | 688 |
| | Prison Intelligence Unit | 12 | 12 |
| | Casualty Bureau | 11 | 10 |

### OTHER REGIONAL COLLABORATION ARRANGEMENTS

The PCC for Humberside collaborates in a two force partnership with the South Yorkshire Mayoral Combined Authority on the provision of Information Services. The cost of the collaboration is shared based on the total size of the respective force budgets assessed using a measure of net revenue expenditure. The summary position for the joint operations is outlined below:

| | Information Services | |
|---|---|---|
| | 2025/26 £'000 | 2024/25 £'000 |
| **Expenditure** | | |
| Staff Costs | 7,099 | 6,741 |
| Supplies and services | 8,591 | 7,078 |
| Transport related expenses | 87 | 82 |
| | **15,777** | **13,901** |
| **Income** | | |
| Contributions (see below) | 15,777 | 13,901 |
| | **15,777** | **13,901** |
| **Deficit/(Surplus) in year** | - | - |
| **Contributions:** | | |
| Humberside Police | 6,546 | 5,819 |
| South Yorkshire Police | 9,231 | 8,082 |
| | **15,777** | **13,901** |

In addition to the Information Services arrangement, the PCC has a collaboration agreement in place with South Yorkshire for the use of a number of Legal Service staff. Income received by the PCC for this arrangement in 2025/26 was £0.379m (2024/25 £0.344m)

**LOCAL COLLABORATION ARRANGEMENTS**

Humberside Police and Humberside Fire Authority collaborate on a joint operation in respect of their emergency vehicle maintenance requirements, which are delivered by Emergency Services Fleet Management (Humberside) Ltd (ESFM), a company limited by guarantee which was established for that purpose. Humberside Police retain joint control of this company with Humberside Fire Authority.

The net cost of ESFM Ltd in relation to the Humberside Police in 2025/26 was £2.007m (2024/25 £1.993m), with a closing Net Assets figure of £0.227m (2024/25 £0.317m).

Humberside Police provide Estates Management Services to Humberside Fire Authority on a lead Authority basis. The Joint Estates Service (JES) provides premises repairs, regular maintenance, utility management and support for capital projects. Governance for the JES is provided by the JES board chaired by the Assistant Chief Officer (Resources). The Area Manager of Prevention, Protection, Fleet and Estates from Humberside Fire and Rescue Service also sits on the board. The overall operational cost of the JES is £14.628m (2024/25 £14.566m) with income of £4.520m received from Humberside Fire and Rescue Service (2024/25 £3.598m) and other income of £1.102m received from other organisations (2024/25 £1.129m).

In addition to the above, Humberside Fire Authority also provide the PCC with a Health and Safety service. In 2025/26 the PCC paid £0.141m for this service (2024/25 £0.158m).

## 16. ANALYSIS OF ADJUSTMENTS BETWEEN ACCOUNTING AND FUNDING BASIS – PCC GROUP

The table below provides a breakdown of the figure included in the Movement in Reserves Statement which adjusts the total Comprehensive Income and Expenditure recognised within the year to the resources available to the Group as specified by statutory provision.

| Year Ended 31 March 2025 | | | | | Year Ended 31 March 2026 | | | |
|---|---|---|---|---|---|---|---|---|
| General Fund Balance | Total Usable Reserves | Total Unusable Reserves | Total Reserves | | General Fund Balance | Total Usable Reserves | Total Unusable Reserves | Total Reserves |
| £'000 | £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 | £'000 |
| | | | | **Reversal of items debited or credited to the CIES:** | | | | |
| 10,878 | **10,878** | (10,878) | - | Depreciation of non-current assets | 10,664 | **10,664** | (10,664) | - |
| 4,671 | **4,671** | (4,671) | - | Revaluation Losses charged on Property, Plant and Equipment | (1,645) | **(1,645)** | 1,645 | - |
| (912) | **(912)** | 912 | - | Capital Grants applied | (941) | **(941)** | 941 | - |
| 462 | **462** | (462) | - | Non-current assets value written off on disposal | 128 | **128** | (128) | - |
| - | - | - | - | Donated Assets | (214) | **(214)** | 214 | |
| 112 | **112** | (112) | - | Impairment | - | - | - | - |
| | | | | **Inclusion of items not debited or credited to the CIES:** | | | | |
| (7,757) | **(7,757)** | 7,757 | - | Statutory provision for the financing of capital investment | (8,028) | **(8,028)** | 8,028 | - |
| (336) | **(336)** | 336 | - | Capital Expenditure funded from Revenue | (143) | **(143)** | 143 | - |
| | | | | **Adjustments involving the Capital Unapplied Reserve:** | | | | |
| (358) | **(358)** | 358 | - | Reversal of cash sale proceeds credited to gain/loss on disposal in CIES | (23) | **(23)** | 23 | - |
| | | | | **Adjustments involving the Pension Reserve:** | | | | |
| (77,460) | **(77,460)** | 77,460 | - | Reversal of items relating to retirement benefits debtied or credited to CIES | (79,340) | **(79,340)** | 79,340 | - |
| 99,913 | **99,913** | (99,913) | - | Employer's pension contributions and direct payments to pensioners payable in the year | 96,070 | **96,070** | (96,070) | - |
| | | | | **Adjustments involving the Accumulated Absences Reserve:** | | | | |
| (532) | **(532)** | 532 | - | Holiday pay accrual charged to the CIES | (70) | **(70)** | 70 | - |
| | | | | **Adjustments Relating to the Collection Fund:** | | | | |
| (152) | **(152)** | 152 | - | Collection Fund adjustment charged to the CIES | 946 | **946** | (946) | - |
| **28,529** | **28,529** | **(28,529)** | - | **Total Adjustments** | **17,404** | **17,404** | **(17,404)** | - |

## 17. ANALYSIS OF ADJUSTMENTS BETWEEN ACCOUNTING AND FUNDING BASIS – PCC

| Year Ended 31 March 2025 | | | | | Year Ended 31 March 2026 | | | |
|---|---|---|---|---|---|---|---|---|
| General Fund Balance | Total Usable Reserves | Total Unusable Reserves | Total Reserves | | General Fund Balance | Total Usable Reserves | Total Unusable Reserves | Total Reserves |
| £'000 | £'000 | £'000 | £'000 | | £'000 | £'000 | £'000 | £'000 |
| | | | | **Reversal of items debited or credited to the CIES:** | | | | |
| 10,878 | **10,878** | (10,878) | - | Depreciation of non-current assets | 10,664 | **10,664** | (10,664) | - |
| 4,671 | **4,671** | (4,671) | - | Revaluation Losses charged on Property, Plant and Equipment | (1,645) | **(1,645)** | 1,645 | - |
| (912) | **(912)** | 912 | - | Capital Grants applied | (941) | **(941)** | 941 | - |
| 462 | **462** | (462) | - | Non-current assets value written off on disposal | 128 | **128** | (128) | - |
| - | - | - | - | Donated Assets | (214) | **(214)** | 214 | - |
| 112 | **112** | (112) | - | Impairment | - | - | - | - |
| | | | | **Inclusion of items not debited or credited to the CIES:** | | | | |
| (7,757) | **(7,757)** | 7,757 | - | Statutory provision for the financing of capital investment | (8,028) | **(8,028)** | 8,028 | - |
| (336) | **(336)** | 336 | - | Capital Expenditure funded from Revenue | (143) | **(143)** | 143 | - |
| | | | | **Adjustments involving the Capital Unapplied Reserve:** | | | | |
| (358) | **(358)** | 358 | - | Reversal of cash sale proceeds credited to gain/loss on disposal in CIES | (23) | **(23)** | 23 | - |
| | | | | **Adjustments involving the Pension Reserve:** | | | | |
| (230) | **(230)** | 230 | - | Reversal of items relating to retirement benefits debtied or credited to CIES | (249) | **(249)** | 249 | - |
| 138 | **138** | (138) | | Employer's pension contributions and direct payments to pensioners payable in the year | (20) | **(20)** | 20 | |
| | | | | **Adjustments involving the Accumulated Absences Reserve:** | | | | |
| 10 | **10** | (10) | - | Holiday pay accrual charged to the CIES | (9) | **(9)** | 9 | - |
| | | | | **Adjustments Relating to the Collection Fund:** | | | | |
| (152) | **(152)** | 152 | - | Collection Fund adjustment charged to the CIES | 946 | **946** | (946) | - |
| **6,526** | **6,526** | **(6,526)** | - | **Total Adjustments** | **466** | **466** | **(466)** | - |

## 18. PROPERTY, PLANT & EQUIPMENT

The property, plant and equipment held on the PCC Group balance sheet can be split into a number of different asset categories as follows:

| | Land & Buildings | Vehicles, Plant & Equipment | Assets Under Construction | Assets Held for Sale | Surplus Assets | TOTAL |
|---|---|---|---|---|---|---|
| **Gross Book Value** | **£000** | **£000** | **£000** | **£000** | **£000** | **£000** |
| As at 1st April 2025 | 152,603 | 34,483 | 943 | 450 | 1,576 | **190,055** |
| Additions & Enhancements | 1,620 | 4,698 | 1,148 | - | - | **7,466** |
| Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services | 498 | - | - | (50) | 120 | **568** |
| Donated | - | 169 | 49 | - | - | **218** |
| Disposals | - | (7,538) | - | - | - | **(7,538)** |
| Transfers | (900) | 309 | (356) | 2,200 | (1,300) | **(47)** |
| Revaluation increases/(decreases) recognised in the Revaluation Reserve | 2,034 | - | - | - | (246) | **1,788** |
| **As at 31st March 2026** | **155,855** | **32,121** | **1,784** | **2,600** | **150** | **192,510** |
| **Depreciation** | | | | | | |
| As at 1st April 2025 | 556 | 17,509 | - | - | - | **18,065** |
| In Year | 4,399 | 4,939 | - | - | 126 | **9,464** |
| On Assets Revalued | (4,955) | - | - | - | (126) | **(5,081)** |
| On Assets Sold | - | (7,409) | - | - | - | **(7,409)** |
| On Transfers | - | - | - | - | - | - |
| Impairment losses recognised in the surplus/deficit on the Provision of Services | - | - | - | - | - | - |
| **As at 31st March 2026** | - | **15,039** | - | - | - | **15,039** |
| **Net Book Value** | | | | | | |
| As at 31st March 2026 | **155,855** | **17,082** | **1,784** | **2,600** | **150** | **177,471** |
| As at 31st March 2025 | **152,047** | **16,974** | **943** | **450** | **1,576** | **171,990** |

| | Land & Buildings | Vehicles, Plant & Equipment | Assets Under Construction | Assets Held for Sale | Surplus Assets | TOTAL |
|---|---|---|---|---|---|---|
| **Gross Book Value** | **£000** | **£000** | **£000** | **£000** | **£000** | **£000** |
| As at 1st April 2024 | 163,831 | 32,389 | 691 | 800 | 150 | **197,861** |
| Additions & Enhancements | 3,255 | 5,267 | 559 | - | - | **9,081** |
| Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services | (5,557) | - | - | - | - | **(5,557)** |
| Disposals | - | (3,480) | - | (350) | - | **(3,830)** |
| Transfers | (1,426) | 307 | (307) | - | 1,426 | - |
| Revaluation increases/(decreases) recognised in the Revaluation Reserve | (7,500) | - | - | - | - | **(7,500)** |
| **As at 31st March 2025** | **152,603** | **34,483** | **943** | **450** | **1,576** | **190,055** |
| **Depreciation** | | | | | | |
| As at 1st April 2024 | 378 | 16,125 | - | - | - | **16,503** |
| In Year | 4,744 | 4,637 | - | - | 10 | **9,391** |
| On Assets Revalued | (4,566) | - | - | - | (10) | **(4,576)** |
| On Assets Sold | - | (3,365) | - | - | - | **(3,365)** |
| On Transfers | - | - | - | - | - | - |
| Impairment losses recognised in the surplus/deficit on the Provision of Services | - | 112 | - | - | - | **112** |
| **As at 31st March 2025** | **556** | **17,509** | - | - | - | **18,065** |
| **Net Book Value** | | | | | | |
| As at 31st March 2025 | **152,047** | **16,974** | **943** | **450** | **1,576** | **171,990** |
| As at 31st March 2024 | **163,453** | **16,264** | **691** | **800** | **150** | **181,358** |

## 19. ASSET NUMBERS

| 31 March 2025 | | 31 March 2026 |
|---|---|---|
| 17 | Local Police Team Buildings | 17 |
| 11 | Police Stations | 10 |
| 3 | Other Buildings | 3 |
| 4 | Headquarters and Offices | 4 |
| 4 | Vulnerable Victims Units | 4 |
| 1 | Training Centre | 1 |
| 1 | Custody Suite | 1 |
| 3 | Surplus Assets | 1 |
| 1 | Assets Held for Sale | 4 |
| 2 | Assets Under Construction - Property | 3 |
| 11 | Assets Under Construction - Vehicles | 12 |
| 2 | Assets Under Construction - Intangibles | 3 |
| 616 | Vehicles | 633 |

Details on the valuations of property held by the PCC Group can be found in Note 21 in the accounts.

## 20. INTANGIBLE ASSETS

| | 2025/26 | | 2024/25 |
|---|---|---|---|
| **Gross Book Value** | **£000** | **Gross Book Value** | **£000** |
| As at 1st April 2025 | 6,401 | As at 1st April 2024 | 6,966 |
| Additions & Enhancements | 513 | Additions & Enhancements | 115 |
| Reversal of Previous Costs | - | Reversal of Previous Costs | - |
| Category Transfer from PPE | 47 | Category Transfer from PPE | - |
| Disposals | (1,696) | Disposals | (680) |
| **As at 31st March 2026** | **5,265** | **As at 31st March 2025** | **6,401** |
| | | | |
| **Amortisation** | | **Amortisation** | |
| As at 1st April 2025 | 3,560 | As at 1st April 2024 | 3,130 |
| In Year | 767 | In Year | 1,110 |
| On Reversals | - | On Reversals | - |
| On Transfers | - | On Transfers | - |
| On Disposals | (1,696) | On Disposals | (680) |
| **As at 31st March 2026** | **2,631** | **As at 31st March 2025** | **3,560** |
| | | | |
| **Net Book Value** | | **Net Book Value** | |
| As at 31st March 2026 | **2,634** | As at 31st March 2025 | **2,841** |
| | | | |
| As at 31st March 2025 | **2,841** | As at 31st March 2024 | **3,836** |

The Intangible Assets all relate to computer software which has been capitalised.

## 21. PROPERTY VALUATIONS

From 1 April 2025, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requirements changed in respect of revaluations of property, plant and equipment. Where authorities do not have a rolling programme of revaluations in place and/or the assets are not non-property assets subject to indexation, authorities revalue their assets every five years with annual indexation applied to assets during the four intervening years. Where authorities cannot obtain indices without undue cost or effort, authorities revalue those assets using a quinquennial revaluation with a desktop revaluation in year three.

Previous to this Code amendment the PCC Group undertook valuations on a 4 yearly rolling programme basis, with the top 20% of the highest valued properties being revalued every financial year. From 1 April 2025 the PCC Group has amended its rolling programme to a 5 year programme in line with the new Code requirements. Those properties that are not subject to a full valuation in line with the valuation programme will be subject to indexation. An impairment review is undertaken at the year end to ensure the value of property has not materially increased or decreased.

The below table shows the gross book value of the property included within these accounts split into when the property was last valued, or subject to indexation.

It has been deemed by the PCC Group, in line with advice provided by external experts, that there is no suitable index available to apply to land elements of property valued on the depreciated replacement cost basis (which includes all the police stations and main headquarter buildings included within the PCC Group estate portfolio). Therefore in line with the Code these will not be subject to indexation, but will be subject to a full valuation within the five year transition period allowed by the Code, and subsequently valued via a desktop valuation in year three. The value of these assets are reported as valued as at March 2023 to 2025 in the below table.

| | Land and Buildings | | Assets Held for Sale | | Surplus Assets | |
|---|---|---|---|---|---|---|
| | Full Valuation | Indexation | Full Valuation | Indexation | Full Valuation | Indexation |
| | £000 | £000 | £000 | | £000 | £000 |
| Valued at current value as at: | | | | | | |
| 31 March 2023 | 373 | - | - | - | - | - |
| 31 March 2024 | 2,131 | - | - | - | - | - |
| 31 March 2025 | 9,396 | - | - | - | - | - |
| 31 March 2026 | 6,911 | 137,044 | 2,600 | - | 150 | - |
| **Total Gross Book Value** | **18,811** | **137,044** | **2,600** | **-** | **150** | **-** |

### Indexation

The choice of indices has not been mandated by the Code and is left as a matter of judgement for individual authorities. The PCC Group has deemed the following indices to be appropriate to use for its estate:

**BCIS** – Building Cost Information Service (BCIS) are a measure of building construction cost inflation or deflation. This index has been used against all DRC valuations (excluding the land element). As the build costs within BCIS rates are in effect an index in themselves, this approach is deemed to provide the most accurate indexation and best reflects what a revaluation would demonstrate in terms of value without undertaking a full valuation. This accounts for £136.611m of the gross book value indexed as at 31 March 2026.

**CoStar Market Sales Index** – Used for any properties valued under EUV and FV, the CoStar index is created from the analysis of completed transactions within various different markets and submarkets. This allows for an index representing a particular local area to be used. This accounts for £0.433m of the gross book value indexed as at 31 March 2026.

Full revaluations are carried out in accordance with RICS Red Book requirements, while indexation reflects market-based movements applied in intervening periods. Although the valuation approaches differ, both are treated equally for accounting purposes under the revaluation model.

The following table shows all indices used, along with the average percentage change in rate and total increase or decrease in valuation resulting from indexation.

| | Average Change | Valuation Change |
|---|---|---|
| | % | £000 |
| BCIS - All in TPI | 6.2 | 6817 |
| BCIS - Offices | 4.6 | 116 |
| BCIS - Police Stations | 2.2 | 371 |
| BCIS - Warehouses/Stores | (3.8) | (2) |
| CoStar Hull GBR Index | 0.9 | 4 |
| **Total Indexation applied in 2025/26** | **2.0** | **7,306** |

Further details on estimates and assumptions made linked with indexation can be found within the Accounting Policies.

## 22. LEASES

### Authority as Lessee – 2025/26

The force lease contracts comprise of leases of operational land and buildings used as part of the overall force estate strategy. During 2025/26 the force had 13 individual contracts in place for leases which have been deemed to come under IFRS16 and are therefore included within the force balance sheet. One lease contract came to an end during the financial year resulting in a closing total of 12 individual contracts in place as at the end of March.

**Right of Use Assets:**

The table below shows the change in value of right-of-use assets held under leases by the force in 2025/26.

| 2024/25 £000 | | 2025/26 £000 |
|---|---|---|
| 1,569 | Balance at 1 April | 1,589 |
| 397 | Additions | - |
| - | Revaluations | 214 |
| (377) | Depreciation | (433) |
| - | Disposals | - |
| **1,589** | **Balance at 31 March** | **1,370** |

**Lease Liabilities:**

The table below shows the movement in both long and short term liabilities linked with leases held by the force during 2025/26.

| 2024/25 Short Term Lease Liabilties £000 | 2024/25 Long Term Lease Liabilites £000 | | 2025/26 Short Term Lease Liabilties £000 | 2025/26 Long Term Lease Liabilites £000 |
|---|---|---|---|---|
| 270 | 1,299 | Balance at 1 April | 418 | 1,224 |
| 48 | 221 | Additions | - | - |
| 7 | 122 | Remeasurements | (3) | 181 |
| - | - | Disposals | - | - |
| (325) | - | Repayment of Principal | (416) | - |
| 418 | (418) | Transfer from Long to Short Term Liability | 437 | (437) |
| **418** | **1,224** | **Balance at 31 March** | **436** | **968** |

### Transactions under Leases

The force incurred the following expenses and cash flows in relation to leases during 2025/26.

| 2024/25<br>£000 | | 2025/26<br>£000 |
|---|---|---|
| | **Comprehensive Income and Expenditure Statement** | |
| 76 | Interest expense on lease liabilities | 69 |
| 48 | Expense relating to short-term leases | 30 |
| 81 | Expense relating to exempt leases of low-value items | 65 |
| | **Cash Flow Statement** | |
| 560 | Total cash outflow for leases | 597 |

### Maturity analysis of lease liabilities

The lease liabilities within the accounts are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments)

| | 31st March 2026<br>£000 | 31st March 2025<br>£000 |
|---|---|---|
| Less than one year | 489 | 483 |
| One to five years | 772 | 1,150 |
| More than five years | 379 | 186 |
| **Total Undiscounted Liabilities** | **1,640** | **1,819** |

## 23. SUMMARY OF CAPITAL EXPENDITURE AND SOURCES OF FINANCE

The note below shows the movement in the Capital Financing Requirement due to capital expenditure for 2025/26, and the source of finance used.

The Capital Financing Requirement is an indicator that authorities have to include within the suite of Prudential Indicators relating to capital finance in Local Authorities.

It is a measure of the PCC Group's underlying need to borrow for capital purpose. The PCC Group has decided to part fund capital by using prudential borrowing, this is reflected in the Capital Financing Requirement balance at the end of the financial year.

| 2024/25<br>£000 | | 2025/26<br>£000 |
|---|---|---|
| 120,571 | **Opening Capital Financing Requirement** | 122,362 |
| | **Capital Investment** | |
| 9,073 | Property, Plant and Equipment | 7,465 |
| 1,966 | Right of Use Assets | - |
| 115 | Intangible Assets | 513 |
| | **Sources of Finance** | |
| (336) | Revenue funding of Capital | (143) |
| (7,757) | Minimum Revenue Provision | (8,028) |
| (912) | Capital Grant | (941) |
| (358) | Capital Receipts | (23) |
| **122,362** | **Closing Capital Financing Requirement** | **121,205** |
| | **Explanation of Movements in Year** | |
| (175) | Increase/(Decrease) in underlying need to borrow | (1,157) |
| 1,966 | Assets acquired under finance leases/Right of Use Assets | - |
| **1,791** | **Increase/(Decrease) in Capital Financing Requirement** | **(1,157)** |

## 24. SHORT TERM DEBTORS AND CREDITORS

### SHORT TERM DEBTORS

| PCC Group 2024/25 £'000 | PCC 2024/25 £'000 | | PCC Group 2025/26 £'000 | PCC 2025/26 £'000 |
|---|---|---|---|---|
| | | **Short-Term Debtor by Source:** | | |
| 9,625 | 9,625 | Government Departments | 9,210 | 9,210 |
| 15,077 | 15,077 | Other Police and Local Authorities | 16,669 | 16,669 |
| 1 | 1 | NHS | 1 | 1 |
| 9,581 | 9,413 | Other | 10,909 | 10,746 |
| **34,284** | **34,116** | **Total Short Term Debtors** | **36,789** | **36,626** |
| | | | | |
| | | **Short-Term Debtor by Type:** | | |
| 26,504 | 26,336 | Debtors & Accruals | 27,699 | 27,536 |
| 7,780 | 7,780 | Prepayments | 9,090 | 9,090 |
| **34,284** | **34,116** | **Total Short Term Debtors** | **36,789** | **36,626** |

### SHORT TERM CREDITORS

| PCC Group 2024/25 £'000 | PCC 2024/25 £'000 | | PCC Group 2025/26 £'000 | PCC 2025/26 £'000 |
|---|---|---|---|---|
| | | **Short-Term Creditor by Source:** | | |
| 9,893 | 4,524 | Government Departments | 8,698 | 2,657 |
| 14,030 | 20,294 | Other Police and Local Authorities | 14,924 | 21,876 |
| 58 | 58 | NHS | 61 | 61 |
| 13,025 | 9,481 | Other | 11,360 | 7,866 |
| **37,006** | **34,357** | **Total Short Term Creditors** | **35,043** | **32,460** |
| | | | | |
| | | **Short-Term Creditor by Type:** | | |
| 36,464 | 33,815 | Creditors & Accruals | 34,636 | 32,053 |
| 542 | 542 | Income in Advance | 407 | 407 |
| **37,006** | **34,357** | **Total Short Term Creditors** | **35,043** | **32,460** |

The PCC 'Other Police and Local Authorities' creditors figure of £21.876m includes the intercompany creditor of £6.952m with the Chief Constable.

## 25. SHORT TERM INVESTMENTS

Short term investments relate to those investments which are due to mature within the next 12 months. The movement in short term investments throughout the year is as follows;

| | Balance at 1st April 2025 | New Investments | Investment Maturities | Balance at 31 March 2026 |
|---|---|---|---|---|
| | £000 | £000 | £000 | £000 |
| Short Term Investments with Financial Institutions | 2,000 | 361,230 | (363,230) | - |
| | **2,000** | **361,230** | **(363,230)** | - |

## 26. BORROWING

### SHORT TERM BORROWING

This relates to borrowing due for maturing within 12 months.

| | Balance at 1st April 2025 £000 | Loans Repaid £000 | New Loans £000 | Transferred from Long Term Borrowing £000 | Balance at 31 March 2026 £000 |
|---|---|---|---|---|---|
| Public Works Loan Board (PWLB) | 8,445 | (8,445) | - | 8,254 | **8,254** |
| Other Borrowing | - | - | 13,000 | - | **13,000** |
| | **8,445** | **(8,445)** | **13,000** | **8,254** | **21,254** |

### LONG TERM BORROWING

This relates to borrowing that will need to be repaid after more than one year.

| | Balance at 1st April 2025 £000 | Loans Repaid £000 | New Loans £000 | Transferred to Short Term Borrowing £000 | Balance at 31 March 2026 £000 |
|---|---|---|---|---|---|
| Public Works Loan Board (PWLB) | 96,786 | - | 4,000 | (8,254) | **92,532** |

| Debt at 31st March 2025 £000 | | Debt at 31st March 2026 £000 |
|---|---|---|
| 8,254 | 1-2 years | 3,182 |
| 10,392 | 2-5 years | 14,327 |
| 17,640 | 5-10 years | 18,523 |
| 16,500 | 10-15 years | 16,500 |
| 44,000 | > 15 years | 40,000 |
| **96,786** | | **92,532** |

## 27. USABLE RESERVES

The PCC and PCC Group has five revenue reserves and one capital reserve:

**Change Management Reserve -** This Reserve has been provided specifically to support initiatives that are aimed at securing improvements and will "pump prime" and meet the initial cost of investment in services.

**Partnership Reserve -** This Reserve was created to allow the PCC/PCC Group to continue schemes that were previously funded by partner agencies and to support partnership work.

**Risk Management Reserve -** This Reserve will allow the Chief Constable and the PCC to assist in meeting the cost of items highlighted through the Chief Constable's and the PCC's risk management processes.

**Prices and Pay Reserve** – This Reserve has been provided to support increases in inflation that are in excess of the budgeted amount in the short-term. For permanent inflationary pressures the increase will be incorporated into the Police and Crime Commissioners Medium-Term Resource Strategy.

**General Reserve -** This Reserve is currently being maintained at 3% of the net revenue budget and is designed to cushion the PCC/PCC Group against unforeseen expenditure pressures.

**Capital Unapplied Reserve -** This Reserve reflects capital grants and receipts that have been received but have yet to be used to fund capital expenditure.

The movements on the usable reserves in the year are:

| 2025/26 | Opening Balance £000 | Transfers to/(from) Reserves £000 | Closing Balance £000 |
|---|---|---|---|
| **Revenue Reserves** | | | |
| Change Management Reserve | 5,036 | (5,036) | - |
| Partnership Reserve | 2,200 | (314) | **1,886** |
| Risk Management Reserve | 2,000 | - | **2,000** |
| Prices and Pay Reserve | 1,000 | (464) | **536** |
| General Reserve | 7,000 | 718 | **7,718** |
| **General Fund Balance** | **17,236** | **(5,096)** | **12,140** |
| **Capital Reserves** | | | |
| Capital Unapplied Reserve | - | - | - |
| **Total Usable Reserves** | **17,236** | **(5,096)** | **12,140** |

| 2024/25 | Opening Balance £000 | Transfers to/(from) Reserves £000 | Closing Balance £000 |
|---|---|---|---|
| **Revenue Reserves** | | | |
| Change Management Reserve | 14,095 | (9,059) | **5,036** |
| Partnership Reserve | 2,198 | 2 | **2,200** |
| Risk Management Reserve | 2,000 | - | **2,000** |
| Prices and Pay Reserve | 400 | 600 | **1,000** |
| General Reserve | 7,000 | - | **7,000** |
| **General Fund Balance** | **25,693** | **(8,457)** | **17,236** |
| **Capital Reserves** | | | |
| Capital Unapplied Reserve | - | - | - |
| **Total Usable Reserves** | **25,693** | **(8,457)** | **17,236** |

## 28. UNUSABLE RESERVES

The breakdown of the unusable reserves held on the PCC Group/PCC balance sheet is as follows;

| 2024/25 PCC Group £'000 | 2024/25 PCC £'000 | | 2025/26 PCC Group £'000 | 2025/26 PCC £'000 |
|---|---|---|---|---|
| (1,569,465) | (14) | Pensions Reserve | (1,538,339) | (14) |
| (16,528) | (16,528) | Capital Adjustment Account | (13,832) | (13,832) |
| 71,558 | 71,558 | Revaluation Reserve | 74,855 | 74,855 |
| 1,223 | 1,223 | Collection Fund Adjustment Account | 278 | 278 |
| (2,508) | (27) | Accumulated Absences Adjustment Account | (2,438) | (18) |
| **(1,515,720)** | **56,212** | **Total Unusable Reserves** | **(1,479,476)** | **61,269** |

### PENSIONS RESERVE

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The PCC/PCC Group accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the PCC/PCC Group makes employer's contributions to pension funds or eventually pay any pensions for which they are directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the PCC/PCC Group has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

| 2024/25 PCC Group £'000 | 2024/25 PCC £'000 | | 2025/26 PCC Group £'000 | 2025/26 PCC £'000 |
|---|---|---|---|---|
| (1,737,648) | (16) | Opening Balance | (1,569,465) | (14) |
| 245,500 | 1,294 | Actuarial Gains or (losses) on the pensions assets and liabilities | 60,678 | 80 |
| (54,864) | (1,384) | Effect of LGPS Pension Asset Ceiling | (12,822) | (349) |
| 77,460 | 230 | Reversal of items relating to retirement benefits debited/credited to the Surplus or Deficit on the Provision of Services in the CIES | 79,340 | 249 |
| (99,913) | (138) | Employers Pension Contributions and direct payments to pensioners | (96,070) | 20 |
| **(1,569,465)** | **(14)** | **Closing Balance** | **(1,538,339)** | **(14)** |

## CAPITAL ADJUSTMENT ACCOUNT

The Capital Adjustment Account is credited with amounts set aside by the PCC/PCC Group to finance expenditure on non-current assets and absorbs the timing differences that might arise as a result of setting aside of resources being out of line with accounting charges for depreciation and impairment losses.

| 2024/25<br>£'000 | | 2025/26<br>£'000 |
|---|---|---|
| (12,674) | Opening Balance | (16,528) |
| 336 | Direct Revenue Financing | 143 |
| 7,757 | Minimum Revenue Provision | 8,028 |
| 209 | Revaluation reserve write down re disposals | - |
| 358 | Receipts on disposal of non current assets | 23 |
| (462) | Carrying value of disposed assets | (128) |
| (15,663) | Annual depreciation, impairment and revaluations | (9,020) |
| 2,699 | Historical cost depreciation adjustment | 2,495 |
| - | Donated Assets | 214 |
| 912 | Application of Government Grants to finance capital expenditure | 941 |
| **(16,528)** | **Closing Balance** | **(13,832)** |

## REVALUATION RESERVE

The Revaluation Reserve contains the gains made by the PCC/PCC Group arising from increases in the value of its Property, Plant and Equipment. A transfer can be made from the Revaluation Reserve to the Capital Adjustment Account to reflect the amount of additional depreciation that has been charged due to increases in value. The balance is also reduced when assets with accumulated gains are revalued downwards or impaired and the gains are lost, or when assets with accumulated gains are disposed of and the gains are realised.

| 2024/25<br>£'000 | | 2025/26<br>£'000 |
|---|---|---|
| 78,276 | Opening Balance | 71,558 |
| (3,810) | Revaluation of Non Current Assets | 5,792 |
| (209) | Amounts written out relating to sold asset | - |
| (2,699) | Historical cost depreciation adjustment | (2,495) |
| **71,558** | **Closing Balance** | **74,855** |

## COLLECTION FUND ADJUSTMENT ACCOUNT

The Collection Fund Adjustment Account manages the differences arising from the recognition of Council Tax income in the Comprehensive Income and Expenditure Statement as it falls due from Council Tax payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

**ACCUMULATED ABSENCES ADJUSTMENT ACCOUNT**

The Accumulated Absences Adjustment Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Funding Balance is neutralised by transfers to/from the Account.

| 2024/25 | | | 2025/26 | |
|---|---|---|---|---|
| PCC Group | PCC | | PCC Group | PCC |
| £'000 | £'000 | | £'000 | £'000 |
| (3,040) | (17) | Opening Balance | (2,508) | (27) |
| 532 | (10) | Adjustment based on calculation for untaken leave | 70 | 9 |
| **(2,508)** | **(27)** | Closing Balance | **(2,438)** | **(18)** |

## 29. PROVISIONS

**PROVISIONS**

The PCC Group hold a number of provisions on its balance sheet as at the 31 March 2026.

The provisions held are as follows:

### SHORT TERM PROVISIONS

As at the end of March 2026 liabilities exist on a number of legal claims against the PCC Group. The exact amount and timing of any resulting claims are currently unknown, therefore an estimated provision of £1,405K (2024/25 £1,472k) has been allocated for by the PCC Group based on information held at the year end.

At the end of 2024/25 a provision of £258k was made for targeted variable payments due to be made under Regulation 34 of the Police Regulations 2003, this provision was utilised in year and no further provision was made at the 2025/26 year end.

### LONG TERM PROVISIONS

A long-term provision of £183k (2024/25 £183k) exists as at the end of March 2026 for potential undercover claims raised. It is likely that there will be a transfer of economic benefit from PCCs to claimants, as claims are made, therefore a long-term provision for the estimated costs to the PCC Group has been created.

As part of the introduction of IFRS16 a decommissioning provision was created for any site restoration costs where an obligation already exists. The total provision in relation to decommissioning costs as at the end of March 2026 is £40k (2024/25 £5k).

## 30. CONTINGENT LIABILITIES

### CIVIL CLAIMS

A number of potential civil and other claims could be brought against the PCC Group. The current total estimated liability is £3,378k (2024/25 £2,262k). The timing of these claims is very unpredictable and is likely to be over a number of years.

### REGIONAL WORKING – EMPLOYMENT OF STAFF

The Regional Collaboration Board has agreed to the adoption of a lead force model to provide managers and staff/officers engaged in Regional Working with consistent Human Resources policy and practices. Under these arrangements police staff will be employed by the lead force on a permanent, substantive basis and Police officers will be seconded.

The PCC for Humberside has agreed to indemnify other PCCs for its share of any costs in the event of any employment tribunal or civil court claims related to regional employment. This indemnity is unlimited. At this time, it is not possible to predict the value or timing of any obligations falling due as a result of this indemnity and so no provision has been made.

### McCLOUD PENSION

In respect of the McCloud Pension case, claimants have lodged claims for compensation under two active sets of litigation, Aarons, and Penningtons.

Government Legal Department settled the injury to feelings claims for Aarons on behalf of Chief Officers without seeking any financial contributions. The settlement of the injury to feelings claims for Aarons sets a helpful precedent, therefore no liability in respect of compensation claims is recognised in these accounts. Pecuniary loss claims remain stayed under advice from Counsel, but it is expected that most of these claims will be settled under the current compensation mechanism that is provided for under the Public Service Pensions & Judicial Offices Act (PSPJOA) 2022.

As at 31 March 2026, it is not possible to reliably estimate the extent or likelihood of Penningtons claims being successful, and therefore no contingent liability in respect of compensation claims is recognised in these accounts.

## 31. ASSETS AND LIABILITIES IN RELATION TO RETIREMENT BENEFITS

The underlying assets and liabilities for retirement benefits of the PCC and PCC Group at 31 March 2026 and 31 March 2025 are as follows:

| | Local Government Pension Scheme | | Police Pension Schemes | | TOTAL | |
|---|---|---|---|---|---|---|
| | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Present Value of the Defined Benefit Obligation | (264,811) | (240,373) | (1,537,860) | (1,568,960) | **(1,802,671)** | **(1,809,333)** |
| Fair Value of Plan Assets | 395,631 | 358,345 | - | - | **395,631** | **358,345** |
| Effect of Asset Ceiling Adjustment | (131,299) | (118,477) | - | - | **(131,299)** | **(118,477)** |
| **Net Asset/(Liability)** | **(479)** | **(505)** | **(1,537,860)** | **(1,568,960)** | **(1,538,339)** | **(1,569,465)** |

| Allocation of Net Asset/(Liability): | 31 March 2026 £'000 | 31 March 2025 £'000 |
|---|---|---|
| PCC | (14) | (14) |
| Chief Constable | (1,538,325) | (1,569,451) |
| | **(1,538,339)** | **(1,569,465)** |

**PENSION COMMENTARY**

The liabilities show the PCC's and PCC Group's long-term commitments to pay retirement benefits. The total net liability of £1,538m has a substantial impact on the net worth of the PCC and PCC Group as recorded in the balance sheet, resulting in a negative overall balance of £1,467m in the PCC Group balance sheet.

In 2025/26, Police and Local Government Pension Schemes have seen a decrease in the overall pension liability. This is primarily due to an increase in gains and losses from changes in financial assumptions, resulting from an increase in discount rates compared to last year which places a lower value on obligations. A continuation in high discount rates has led to a pension surplus on the Local Government Pension Scheme (LGPS) in 2025/26 of £130.820m (2024/25 £117.972m). However, IAS19 restricts, by the way of an asset ceiling, the amount of pension asset surplus which is to be disclosed on an authority's balance sheet. It was deemed by the force's actuary that the net asset ceiling for 2025/26 was £0m (2024/25 £0m), therefore a net asset ceiling adjustment has been incorporated into the force balance sheet of £131.299m. This results in an overall liability of £0.479m for the LGPS. This relates to the liability held for unfunded obligations which are not included within the net asset ceiling requirements.

The last full actuarial valuation on the Police Pension Scheme was carried out as at 31 March 2024 and was reported during 2025/26, with new membership data being included within the 2025/26 actuarial results. Resulting amendments to employer contribution rates will be made as of 1st April 2027. The last actuarial review was carried out on the LGPS as at 31 March 2025. The next actuarial review takes place as at 31 March 2028.

In June 2023 the High Court ruled in the case of Virgin Media Ltd vs NTL Pension Trustees. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation. The High Court ruling has since been appealed. On 25 July 2024 the Court of Appeal upheld the decision of the High Court. On 5 June 2025 the government announced that relevant certificates have been located in respect of the 2014 reforms. No update has been received as to whether the certificate in respect of the 2008 reforms has been located. The Government announced that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Legislation permitting to this issue was included in the government's Pension Scheme Bill (amendments) tabled on 1 September 2025. Due to the ongoing uncertainty around this case and the unknown impact on public service schemes, no allowance has currently been taken into account within the PCC balance sheet. Management will continue to monitor any developments on this case and consider the impact where further information is made available.

## 32. RECONCILIATION OF PRESENT VALUE OF SCHEME ASSETS AND LIABILITIES

### RECONCILIATION OF SCHEME LIABILITIES

| | Unfunded Liabilities: Police Pension Schemes | | Funded Liabilities: Local Government Pension Scheme | |
|---|---|---|---|---|
| | 2025/26 £'000 | 2024/25 £'000 | 2025/26 £'000 | 2024/25 £'000 |
| 1st April | (1,568,960) | (1,737,080) | (240,373) | (275,330) |
| Current service cost | (9,870) | (12,920) | (6,186) | (8,532) |
| Past service costs (including curtailments) | - | - | - | (343) |
| Interest cost | (86,940) | (81,180) | (13,978) | (13,452) |
| Contributions by scheme participants | (13,240) | (12,450) | (3,187) | (3,180) |
| Benefits paid | 83,459 | 80,782 | 8,109 | 7,536 |
| Remeasurements: | | | | |
| Gains and losses from changes in assumptions | 51,441 | 195,528 | 12,449 | 50,355 |
| Experience gains and losses | 6,250 | (1,640) | (21,645) | 2,573 |
| 31st March | **(1,537,860)** | **(1,568,960)** | **(264,811)** | **(240,373)** |

The expected budgeted contributions to the LGPS for 2026/27 are £6.8m (2025/26 was £8.1m) and £34.4m for the Police Pension Fund (2025/26 was £33m).

### RECONCILIATION OF SCHEME ASSETS

| | Local Government Pension Scheme | |
|---|---|---|
| **Present Value of Scheme Assets** | 2025/26 £'000 | 2024/25 £'000 |
| 1st April | 358,345 | 338,375 |
| Interest income on Plan assets | 20,904 | 16,514 |
| Employer contributions | 9,062 | 9,070 |
| Contributions by scheme participants | 3,187 | 3,180 |
| Benefits paid | (8,050) | (7,478) |
| Remeasurements: | | |
| Return on assets excluding net interest | 12,183 | (1,316) |
| 31st March | **395,631** | **358,345** |
| **Effect of Asset Ceiling** | | |
| Effect of the Asset Ceiling at1st April | (118,477) | (63,613) |
| Changes to the Effect of the Asset Ceiling in Year | (12,822) | (54,864) |
| Effect of the Asset Ceiling at 31st March | **(131,299)** | **(118,477)** |

## 33. BASIS FOR ESTIMATING ASSETS AND LIABILITIES

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc.

The Police Schemes have been assessed by the Government Actuaries Department and the Local Authority Scheme, which is administered by the East Riding of Yorkshire Council, has been assessed by Hymans Robertson, actuaries.

The main assumptions used in their calculations have been:

| | Local Government Pension Scheme | | Police Pension Schemes | |
|---|---|---|---|---|
| | 2025/26 | 2024/25 | 2025/26 | 2024/25 |
| | % | % | % | % |
| Rate of Inflation | 3.00 | 2.75 | 2.95 | 2.70 |
| Rate of Increases in Salaries | 3.00 | 2.75 | 3.70 | 3.45 |
| Rate of increase in Pensions | 3.00 | 2.75 | 2.95 | 2.70 |
| Rate for Discounting Scheme Liabilities | 6.30 | 5.80 | 6.10 | 5.65 |
| CARE Revaluation | | | 4.20 | 3.95 |
| Take up option to convert annual pension into retirement grant: | | | | |
| Pre April 2008 service | 80 | 80 | | |
| Post April 2008 service | 60 | 60 | | |

The sensitivity of scheme liabilities to changes in the main assumptions are:

| 2025/26 | Local Government Pension Scheme | | Police Pension Schemes | |
|---|---|---|---|---|
| | % | £000 | % | £000 |
| Change in assumption: | | | | |
| 0.5% increase in salaries increase rate | - | 975 | 0.50 | 10,000 |
| 0.5% increase in pensions increase rate | 8.00 | 22,320 | 7.00 | 106,000 |
| 0.5% decrease in discounting of liabilities rate | 9.00 | 23,285 | 7.00 | 104,000 |
| 1 year increase in member life expectancy rate | 4.00 | 10,592 | 2.50 | 39,000 |

| 2024/25 | Local Government Pension Scheme | | Police Pension Schemes | |
|---|---|---|---|---|
| | % | £000 | % | £000 |
| Change in assumption: | | | | |
| 0.5% increase in salaries increase rate | - | 1,000 | 1.00 | 12,000 |
| 0.5% increase in pensions increase rate | 10.00 | 23,765 | 7.00 | 111,000 |
| 0.5% decrease in discounting of liabilities rate | 10.00 | 24,085 | 7.00 | 110,000 |
| 1 year increase in member life expectancy rate | 4.00 | 8,217 | 2.50 | 36,000 |

Opposite changes in assumptions would produce equal and opposite changes in scheme liabilities. Doubling the changes in assumptions would produce approximately double the change in scheme liabilities.

The sensitivity analysis above has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain consistent. The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, the actuary estimates that a one-year increase in life expectancy would approximately increase the employer's defined benefit obligation by around 2.5-4%. In practice the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply to younger or older ages). The approach taken in preparing the sensitivity analysis is consistent with that adopted in the previous year.

The weighted average duration of the scheme liabilities are:

| | Local Government Pension Scheme | Police Pension Schemes |
|---|---|---|
| | Years | Years |
| 2025/26 | 18.0 | 15.0 |
| 2024/25 | 20.0 | 15.0 |

The Police Pension Schemes have no assets to cover the liabilities incurred.

Assets in the LGPS are valued at fair value, principally market value for investments, and consist of the following categories, by proportion of the assets held by the fund:

| | 2025/26 | | 2024/25 | |
|---|---|---|---|---|
| **Asset quoted prices:** | % | £000 | % | £000 |
| Equity securities | - | - | - | - |
| Debt securities | 7.8 | 30,827 | 7.8 | 27,921 |
| Private equity | 6.2 | 24,673 | 6.2 | 22,348 |
| Real estate | 8.3 | 32,874 | 8.3 | 29,776 |
| Investment funds | 76.6 | 302,899 | 76.6 | 274,353 |
| Cash and cash equivalents | 1.1 | 4,358 | 1.1 | 3,947 |
| Effect of Asset Ceiling Adjustment | | (131,299) | | (118,477) |
| **Total** | | **264,332** | | **239,868** |
| | | | | |
| In active markets | 73.9 | 292,536 | 73.9 | 264,966 |
| Not in active markets | 26.1 | 103,095 | 26.1 | 93,379 |
| Effect of Asset Ceiling Adjustment | | (131,299) | | (173,341) |
| | | **264,332** | | **185,004** |

## 34. ASSUMED MORTALITY RATES

Mortality rates are projected using published tables. Future mortality improvements are in line with the 2014-based UK principal population projections.

### POLICE PENSION FUND

#### 2025/26

| Current Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 22.0 | 24 |

| Future Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 23.4 | 25.3 |

#### 2024/25

| Current Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 21.9 | 23.9 |

| Future Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 23.3 | 25.2 |

### LOCAL GOVERNMENT PENSION SCHEME

#### 2025/26

| Current Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 21.1 | 24 |

| Future Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 21.9 | 25.4 |

#### 2024/25

| Current Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 20.5 | 23.5 |

| Future Pensioners | | |
|---|---|---|
| Exact Age | Expectation of life (in years) for existing pensioners | |
| | Males | Females |
| 65 | 21.2 | 25 |

## 35. REMEASUREMENTS OF THE NET DEFINED BENEFIT LIABILITY

The IAS19 remeasurement movements on the Pensions Reserve can be analysed into the following remeasurement categories, measured as absolute amounts and as percentages of assets or liabilities at 31 March:

### LOCAL GOVERNMENT

| | 2025/26 | | 2024/25 | |
|---|---|---|---|---|
| | £'000 | % | £'000 | % |
| Return on assets, excluding net interest | 12,183 | 3.08 | (1,316) | (0.37) |
| Difference between actuarial assumptions about liabilities and actual experience | (21,645) | (8.17) | 2,573 | 1.07 |
| Changes in the demographic and financial assumptions used to estimate liabilities | 12,449 | 4.70 | 50,355 | 20.9 |
| Effect of Asset Ceiling | (12,822) | (4.84) | (54,864) | (22.82) |
| **Total IAS19 Remeasurements** | **(9,835)** | (3.71) | **(3,252)** | (1.35) |

### POLICE PENSION SCHEMES

| | 2025/26 | | 2024/25 | |
|---|---|---|---|---|
| | £'000 | % | £'000 | % |
| Difference between actuarial assumptions about liabilities and actual experience | 6,250 | 0.41 | (1,640) | (0.10) |
| Changes in the demographic and financial assumptions used to estimate liabilities | 51,441 | 3.34 | 195,528 | 12.46 |
| **Total IAS19 Remeasurements** | **57,691** | 3.75 | **193,888** | 12.36 |

### Allocation of IAS19 Remeasurements:

| | 2025/26 | 2024/25 |
|---|---|---|
| | £'000 | £'000 |
| PCC | 269 | 90 |
| Chief Constable | (48,125) | (190,726) |
| **Total IAS19 Remeasurements** | **(47,856)** | **(190,636)** |

## 36. FINANCIAL INSTRUMENTS

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term 'Financial Instrument' covers both financial assets and financial liabilities and includes both the most straight forward financial assets and liabilities such as trade receivables and trade payables and the most complex ones such as derivatives and embedded derivatives. IFRS 9 financial instruments has been adopted however the impact on the Financial Statements is minimal due to the use of only simple financial instruments.

### FINANCIAL ASSETS AND LIABILITES

Trade creditors and debtors included as financial instruments are less than the creditors and debtors included in the Balance Sheet as those that are not contractual or are not due to be settled in cash or by another financial instrument are excluded.

The carrying and fair value amounts of financial liabilities and assets held by the PCC Group on the Balance Sheet are:

| | Balance at 31 March 2026 | | Balance at 31 March 2025 | |
|---|---|---|---|---|
| **Financial Liabilities** | **Carrying Amount £000** | **Fair Value £000** | **Carrying Amount £000** | **Fair Value £000** |
| Trade Creditors | 11,994 | 11,994 | 23,653 | 23,653 |
| Cash Overdrawn | - | - | - | - |
| PWLB Loans | 100,786 | 71,551 | 105,231 | 76,111 |
| PFI and Finance Lease Liabilties | 1,404 | 1,404 | 1,642 | 1,642 |
| Other Loans | 13,000 | 13,000 | - | - |
| **Total** | **127,184** | **97,949** | **130,526** | **101,406** |

These liabilities relate to loans from the PWLB and local authorities, which are included in the Balance Sheet as outstanding principal (carrying value) and accrued interest, shown separately within current liabilities. Trade creditors and other payables are shown at the invoiced amounts.

The fair value is lower than the carrying amount because the PCC Group's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the rates available for similar loans in the markets at the balance sheet date. The fair value measurement for loans payable has been provided by the PWLB based on their premature repayment rates. Other Loans represents short term borrowing held at fair value.

The financial liabilities held by the force measured at fair value have been classified as Level 1; quoted prices in active markets for identical liabilities.

| | Balance at 31 March 2026 | | Balance at 31 March 2025 | |
|---|---|---|---|---|
| **Financial Assets** | **Carrying Amount £000** | **Fair Value £000** | **Carrying Amount £000** | **Fair Value £000** |
| Trade Debtors | 16,498 | 16,498 | 23,270 | 23,270 |
| Deposits with Banks and Financial Institutions | - | - | 2,000 | 2,000 |
| **Total** | **16,498** | **16,498** | **25,270** | **25,270** |

Financial Assets include temporary investments that have fixed or determinable payments, but are not quoted in an active market, and trade debtors and receivables based on the invoiced/billed amounts.

The nature and the type of Financial Instruments held by the PCC/PCC Group are not significant in relation to the overall financial position of the PCC/PCC Group.

**RECLASSIFICATION/DE-RECOGNITION -** The PCC/PCC Group has not reclassified any Financial Instruments during the year as to how they are measured, i.e. at amortised cost rather than fair value and no financial assets have been transferred during the year, in such a way that part or all do not qualify for recognition. No early repayment has been undertaken.

**COLLATERAL -** The PCC/PCC Group has not pledged any financial assets as collateral for liabilities during the year and holds no collateral as security.

**EFFECT OF FINANCIAL INSTRUMENTS ON THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT**

Charges and income to the Comprehensive Income and Expenditure Statement in relation to Financial Instruments are made up as follows:

| | Liabilties | | | Assets | |
|---|---|---|---|---|---|
| | PWLB Loans | Short Term Borrowing | PFI and Finance Leases | Deposits with Banks and Financial Institutions | Total |
| | £000 | £000 | £000 | £000 | £000 |
| Interest Expense | 2,573 | 76 | 69 | - | **2,718** |
| Interest Income | - | - | - | (965) | **(965)** |
| **Net Affect for the Year** | **2,573** | **76** | **69** | **(965)** | **1,753** |

**FINANCIAL RISKS**

The PCC's and PCC Group's activities expose it to a variety of financial risks.

The PCC Group's overall Risk Management Policy in relation to financial instruments is embedded within the Treasury Management Strategy Statement. The Policy has been prepared to include the requirements of the CIPFA Code of Practice in Treasury Management. In relation to specific risk categories set out above, the PCC Group's position is as follows:

**Credit Risk**

Credit risk is the possibility that other parties might fail to pay amounts due to the PCC Group.

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the PCC Group's customers.

The PCC Group regards the prime objective of its Treasury Management activities to be the security of the principal sums it invests.

Deposits are made in accordance with the treasury management practices and associated schedules approved as part of the treasury management policy statement.

Customers of the PCC Group are assessed, taking into account their latest financial standing and credit for customers is not generally allowed.

The Debtors at 31 March 2026, includes £25.9m that relates to Central and Local Government organisations, and as such is not classed as a credit risk. The profile of the remaining debtors which are monitored on a regular basis is set out below:

| | 2025/26<br>£000 | 2024/25<br>£000 |
|---|---|---|
| Up to Three Months | 2,255 | 228 |
| More than Three Months | 279 | 50 |
| **Total** | **2,534** | **278** |

**Liquidity Risk**

Liquidity risk is the possibility that the PCC Group might not have funds available to meet its commitments to make payments.

As at 31 March 2026 the PCC Group had balances on revenue reserves of £12.14m, cash and cash equivalents of £4.5m and deposits with banks and financial institutions of £0m. The PCC Group also has access to borrowing from the Public Works Loan Board (PWLB). There is therefore no significant risk that the PCC Group would be unable to meet its financial commitments.

As part of the Treasury Management Strategy Statement the PCC Group considers the maturity analysis of borrowings at the beginning of the financial year in order to manage the profile of debt repayable. The position at 31 March 2026 can be found within Note 25 of these accounts.

**Market Risk**

Market risk is the possibility that financial loss might arise for the PCC Group as a result of changes in such measures as interest rates and stock market movements.

The PCC Group is not exposed to specific risk in terms of interest movements as both borrowings and investments are at fixed rates. The PCC Group manages its exposure to fluctuations in interest rates with a view to containing its costs within approved budgets within the arrangements set out in its Treasury Management Strategy Statement.

Fluctuations in market interest rates are a factor that is considered when formulating the PCC Group's MTRS which provides a framework for investment and borrowing decisions.

# 37. NOTES TO THE CASH FLOW STATEMENT

## ADJUSTMENTS FOR NON-CASH MOVEMENTS

| 31 March 2025 PCC Group £'000 | 31 March 2025 PCC £'000 | | 31 March 2026 PCC Group £'000 | 31 March 2026 PCC £'000 |
|---|---|---|---|---|
| (22,453) | 92 | Notional Pension Costs (in excess of) / less than actual pensions paid | (16,730) | 269 |
| (15,663) | (15,663) | Depreciation and Impairment | (9,020) | (9,020) |
| (5,505) | (6,047) | Other non cash movements | 4,702 | 4,641 |
| **(43,621)** | **(21,618)** | | **(21,048)** | **(4,110)** |

## ADJUSTMENTS FOR INVESTING AND FINANCING CASH MOVEMENTS

| 31 March 2025 PCC Group £'000 | 31 March 2025 PCC £'000 | | 31 March 2026 PCC Group £'000 | 31 March 2026 PCC £'000 |
|---|---|---|---|---|
| 912 | 912 | Capital Grants credited to surplus or deficit on the provision of services | 941 | 941 |
| 358 | 358 | Proceeds from the sale of Property, Plant and Equipment Assets | 23 | 23 |
| **1,270** | **1,270** | | **964** | **964** |

## CASH AND CASH EQUIVALENTS

| 31 March 2025 PCC Group £'000 | 31 March 2025 PCC £'000 | | 31 March 2026 PCC Group £'000 | 31 March 2026 PCC £'000 |
|---|---|---|---|---|
| 428 | 428 | Bank Imprest and current accounts | 332 | 332 |
| 10 | 10 | Cash in Hand | 10 | 10 |
| 3,600 | 3,600 | Short term deposits with banks and building societies | 4,153 | 4,153 |
| **4,038** | **4,038** | | **4,495** | **4,495** |

## INVESTING ACTIVITIES

| 31 March 2025 PCC Group £'000 | 31 March 2025 PCC £'000 | | 31 March 2026 PCC Group £'000 | 31 March 2026 PCC £'000 |
|---|---|---|---|---|
| 9,079 | 9,079 | Purchase of Property, Plant and Equipment | 7,713 | 7,713 |
| 115 | 115 | Purchase of Intangible Assets | 513 | 513 |
| (912) | (912) | Capital Grants received | (941) | (941) |
| (358) | (358) | Proceeds from sale of Property, Plant and Equipment | (23) | (23) |
| 358,685 | 358,685 | Purchase of Short Term Investments | 361,230 | 361,230 |
| (360,685) | (360,685) | Proceeds from Short Term Investments | (363,230) | (363,230) |
| **5,924** | **5,924** | | **5,262** | **5,262** |

## FINANCING ACTIVITIES

| 31 March 2025 PCC Group £'000 | 31 March 2025 PCC £'000 | | 31 March 2026 PCC Group £'000 | 31 March 2026 PCC £'000 |
|---|---|---|---|---|
| (22,000) | (22,000) | Cash Receipts of Short and Long Term Borrowing | (17,000) | (17,000) |
| 18,081 | 18,081 | Repayment of Short and Long Term Borrowing | 8,445 | 8,445 |
| 324 | 324 | Cash payments for the reduction of outstanding liabilities in relation to finance lea | 420 | 420 |
| **(3,595)** | **(3,595)** | | **(8,135)** | **(8,135)** |

**OPERATING ACTIVITIES**

The below table discloses the cash flow of interest received and paid during the year.

| 31 March 2025 PCC Group £'000 | 31 March 2025 PCC £'000 | | 31 March 2026 PCC Group £'000 | 31 March 2026 PCC £'000 |
|---|---|---|---|---|
| (1,699) | (1,699) | Interest received | (886) | (886) |
| 3,185 | 3,185 | Interest paid | 2,615 | 2,615 |
| **1,486** | **1,486** | | **1,729** | **1,729** |

## 38. RELATED PARTY TRANSACTIONS

In accordance with the reporting requirements of IAS 24, the Group is required to disclose details of material transactions with related parties, that is bodies or individuals that have the potential to influence the Group or to be controlled or influenced by the Group.

There are direct relationships between the PCC and several central and local government organisations, the main ones being the Home Office (Police Grant), the Ministry of Justice (Grant) and the four Unitary Authorities (Council Tax/Precepts). These are disclosed elsewhere in the financial statements.

The PCC has direct control over the Group's finances and is responsible for setting priorities through the Police and Crime Plan. The Chief Constable retains operational independence and operates within the budget set by the PCC, to deliver the Force aims and objectives set out in the Police and Crime Plan. Section 28 of the Police Reform and Social Responsibility Act 2011 requires that local authorities covered by the police area must establish a Police and Crime Panel (PCP) for that area. The PCP scrutinises the decisions of the PCC, reviews the Police and Crime Plan and has a right of veto over the precept.

There are also direct relationships between the PCC and other PCCs within the Yorkshire and Humberside region and PCCs in Cleveland, Durham and Northumbria in respect of Regional Collaboration arrangements. Details are disclosed in note 15 to the financial statements.

The Police and Crime Commissioner for Humberside is a councillor for Barton Town Council. During 2025/26 no transactions were made between the PCC and the town council (£nil in 2024/25).

The Chief Constable is represented on the National Police Chiefs Council which is an independent professional body of chief police officers and senior staff equivalents.

The Deputy Chief Constable and the Assistant Chief Officer of the force are Directors of the Emergency Services Fleet Management (Humberside) Ltd. Emergency Services Fleet Management (Humberside) Ltd is a joint operation that provides vehicle maintenance services to Humberside Police and Humberside Fire Authority. The company supplied services with a value of £2,614,476 to Humberside Police during 2025/26 (£2,451,255 in 2024/25). The PCC Group leases part of its Melton workshop facility to the company for which a rent of £198,799 was charged in 2025/26 (£198,799 in 2024/25). Other income received totaled £28,243 in 2025/26 (£35,527 in 2024/25). Details of Humberside Police's share of income, expenditure, assets and liabilities of this joint operation are disclosed in Note 15 to the financial statements.

The Police and Crime Commissioner for Humberside, Deputy Chief Constable and Chief Finance Officer for the Chief Constable are no longer board members for the North East Business Resilience Centre, a police-led not-for-profit organisation that provide cyber security support to small businesses. However, the Police and Crime Commissioner was a board member throughout 2025/26. During 2025/26 a total of £105,490 in NPCC regional cyber grant payments were made to the organisation from the PCC Group (£200,000 in 2024/25).

The Chief Executive of the OPCC is a non-executive director on the board of Ongo Homes, a social housing provider in North Lincolnshire. During 2025/26 payments of £15,000 were made by the PCC Group to Ongo Homes in relation to funding a project to tackle serious crime and ASB (£nil in 2024/25).

The Deputy Chief Constable is a director of The Police Treatment Centres. During 2025/26 payments of £23,000 were made in relation to a grant payment and wellbeing services. This posting began during 2025/26.

The Deputy Chief Constable is a director of Police Children's Charity. During 2025/26 no payments were made between both parties. The posting began during 2025/26.

The spouse of the Chief Finance Officer for the Police and Crime Commissioner is the finance director for the safety business unit at NEC Software Solutions. During 2025/26 payments of £173,840k were made by the force to NEC Software for IT services (£101,854 in 2024/25).

The Police and Crime Commissioner for Humberside was a board member of the Police Digital Service between June 2024 and September 2025. During 2025/26 purchases of £400,406 where made by Humberside Police relating to the Police Digital Service subscription, alongside costs for cyber risk and management and cyber security services (£284,773 in 2024/25). Additionally income of £59,399 was received from the Police Digital Service relating to secondments of officers from Humberside Police (£nil in 2024/25).

The Chief Finance Officer and the Deputy Chief Finance Officer to the PCC are seconded from Humberside Fire and Rescue Services for 40% of their time. The Office of the Police and Crime Commissioner for Humberside contributes towards all relevant pay and employee costs for this proportion of their time. The Police and Crime Commissioner for Humberside is also a member of the Humberside Fire Authority. The joint operations ran by both the PCC Group and Humberside Fire are detailed in note 15 to the financial statements.

A survey of the Police and Crime Commissioner for Humberside, Senior Staff within the OPCC, the Chief Constable/Senior Officers of Humberside Police and parties related to them was undertaken in preparing these financial statements. Except as disclosed above, no material related party transactions were identified.

## 39. EVENTS AFTER THE BALANCE SHEET DATE

The audited Statement of Accounts were issued on xxxxx. The PCC Group reviewed events occurring between 31 March and the issue date and did not identify any additional events that were adjusting events in respect of conditions existing at the Balance Sheet date.

# POLICE PENSION FUND ACCOUNTS

The Code of Practice on Local Authority Accounting sets out the accounting treatment for the Police Pension Fund Accounts in the financial year 2025/26.

The Chief Constable is responsible for administering the Police Pension Fund in accordance with the Police Reform and Social Responsibility Act 2011. All payments and receipts are made to and from the Police and Crime Commissioner for Humberside's ("PCC") Police Fund. These Police Pension Fund Accounts do not form part of the Chief Constable's or PCC Group Financial Statements.

## TRANSACTIONS RELATING TO RETIREMENT BENEFITS

As part of the terms and conditions of employment of its officers and other employees, the PCC Group offers retirement benefits. Although these benefits will not actually be payable until employees retire, the PCC Group has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The PCC Group participates in the following pension schemes:

The Police Pension Schemes for police officers – three schemes where provided for police officers, the 1987 Scheme, the 2006 scheme and the 2015 scheme. From 1 April 2022 all active scheme members have been transferred into the 2015 scheme due to the end of the police pension remedy period. The 1987 and 2006 schemes are now closed to future pension build up.

The 2015 pension scheme has officers' contributions in a range of 12.44 to 13.78% (2024/25 12.44 to 13.78%). All schemes are unfunded schemes, i.e. no investment assets are built up to meet the pensions liabilities and cash has to be generated to meet actual pensions payments as they eventually fall due.

The Local Government Pension Scheme for police staff, administered by the East Riding of Yorkshire Council – is a funded scheme, i.e. the PCC and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The accounting and funding arrangements for Police Pensions are detailed below:

| 31 March 2025 £'000 | | | 31 March 2026 £'000 |
|---|---|---|---|
| | **CONTRIBUTIONS RECEIVABLE** | | |
| | Police and Crime Commissioner ("PCC"): | | |
| (28,236) | - contributions at 35.3% | (29,390) | |
| (623) | - early retirements - Ill Health | (797) | |
| (12,540) | Officers' Contributions | (12,946) | |
| | | | (43,133) |
| | **TRANSFERS IN** | | |
| (208) | Transfers in from other Pension Schemes | | (543) |
| | **BENEFITS PAYABLE** | | |
| 67,555 | - Pensions | 69,809 | |
| 13,899 | - Commutations and lump sum retirement benefits | 14,230 | |
| - | - Lump sum death benefits | 178 | |
| | | | 84,217 |
| | **PAYMENTS TO AND ON ACCOUNT OF LEAVERS** | | |
| 169 | - Refunds of contributions | 150 | |
| 80 | - Transfers out to other Pension Scheme | 138 | |
| - | - Transfers out to other Police Forces: 1974 arrangments | - | |
| | | | 288 |
| **40,096** | **NET AMOUNT PAYABLE FOR THE YEAR BEFORE TRANSFER FROM THE PCC** | | **40,829** |
| (36,179) | Additional funding payable by the PCC to meet the deficit (funded by the Home Office) | | (36,752) |
| (3,917) | Additional funding payable by the PCC to meet the deficit (NOT funded by the Home Office) | | (4,077) |
| - | **NET AMOUNT PAYABLE/RECEIVABLE FOR THE YEAR** | | - |

## NET ASSETS STATEMENT

| 31 March 2025 £'000 | | 31 March 2026 £'000 |
|---|---|---|
| | **CURRENT ASSETS** | |
| - | Police Fund Debtor - Home Office | - |
| - | Police Fund Debtor - Other | - |
| 5,749 | Pensions Paid in Advance | 5,981 |
| | **CURRENT LIABILITIES** | |
| 3,900 | Police Fund Creditor - Home Office | 1,906 |
| - | Police Fund Creditor - Other | - |
| 1,849 | Humberside Police and Crime Commissioner | 4,075 |
| - | | - |

## NOTES TO THE POLICE PENSION FUND ACCOUNTS

The Police Officer Pension Schemes make up the account:

- 1987 Police Pension Scheme (no longer holding active members)
- 2006 Police Pension Scheme (no longer holding active members)
- 2015 Police Pension Scheme

PCCs are obliged to include the Pension Fund Account in their Statement of Accounts in accordance with regulation 7(1)(d) of the Accounts and Audit Regulations 2003. The Fund is administered and managed by the Humberside Police Finance Section.

The fund is charged with all pensions expenditure in accordance with Home Office guidance, with income being employee contributions, employer contributions, which for 2025/26 was 35.3% of pensionable pay (2024/25 35.3%).

Other income items within the fund are transfer payments from other pension schemes and a capital charge that is twice the average pensionable pay of officers that retire on ill health.

The Home Office provide a pension “top up” grant to fund differences on the fund account, 80% is received up front for the relevant financial year, with the balance provided on submission of the PCC’s financial statements.

There has been an adjustment of 4.3% to the cash flow to the Police Pension Fund due to the increase in the employer contribution rate from 31% to 35.3% being reflected in an increase in HM Treasury pensions top up funding of £4,077k (2024/25 £3,917k).

There are no investment assets, the fund is balanced to nil at the yearend by either a contribution from the Police Fund, or if a surplus balance on the fund, a transfer to the Police Fund.

The fund does not account for benefits payable in the future (IAS 19 Employee Benefits), which is a divergence from the accounting policy for the Police Fund Account as stated in the statement of accounting policies. Details of the long term pension obligations and the cost of pensions can be found in the PCC Group’s financial statements.

Employees’ and employer’s contribution levels are based on percentages of pensionable pay set nationally by the Home Office and are subject to triennial revaluation by the Government Actuary’s Department.

The responsibility for future pension benefits still lies with the PCC Group, through the Police Fund Account. The responsibility for amounts due to/from the Fund Account and the Home Office is shown within the Police Fund, not the Pensions Fund.

As previously stated the Chief Constable is responsible for administering the Police Pension Fund in accordance with the Police Reform and Social Responsibility Act 2011. All payments and receipts are made to and from the PCCs Police Fund. As such, the Chief Constable and the PCC are the only related parties to the Fund and all the transactions shown in the Police Pension Fund Accounts have been processed through the PCC.

# GLOSSARY OF ACCOUNTING TERMS

The PCC and PCC Group has adopted the International Financial Reporting Standards ("IFRS") based Code of Practice on Local Authority Accounting as its standard basis of accounting.

Definitions of accounting terms used are given below:

| Term | Definition |
|---|---|
| **Accounting period** | The period of time covered by the financial statements, normally a period of twelve months. |
| **Accruals basis** | Under the accruals concept, expenses are recognised when incurred, not when the cash is actually paid out, and revenue is recognised when it is earned, not when the cash is actually received. |
| **Agency cost** | Services which are performed by or for another authority or public body, where the agent is reimbursed for the cost of the work done. |
| **Amortisation** | The term used for depreciation of intangible assets such as the annual charge in respect of computer licenses the PCC/ PCC Group has purchased. |
| **Asset** | An item owned or leased by the PCC/ PCC Group, which has a value, for example, land and buildings, vehicles, equipment, cash. |
| **Assets held for sale** | Assets are held for sale if their value will be recovered through a sale transaction rather than through continuing use. |
| **Balance Sheet** | This represents a summary of all the assets and liabilities of the PCC/ PCC Group. |
| **Capital expenditure** | Expenditure on new assets or on the enhancement of existing assets so as to prolong their useful life or enhance value. |
| **Capital Financing Account** | This account represents amounts set aside from revenue or capital receipts to finance expenditure on property, plant and equipment or for the repayment of external loans and certain other capital financing transactions. |
| **Capital Financing Requirement (CFR)** | The Capital Financing Requirement is a measure of the extent to which the PCC/ PCC Group needs to borrow to support capital expenditure. It does not necessarily relate to the actual amount of borrowing at any point in time. |
| **Capital receipts** | Proceeds from the sale of property, plant and equipment. |
| **Carry overs** | These are underspends at the end of the financial year, which are carried forward into the next financial year to support that year's expenditure plans. |
| **Cash and cash equivalents** | Cash includes cash held in bank accounts and cash in hand. Cash equivalents are assets that can be readily converted into cash such as deposits and certain short term investments. |
| **CIPFA** | The Chartered Institute of Public Finance and Accountancy. This is the main professional accountancy body relating to the public sector. |
| **Collection Fund** | Precept Income is collected on behalf of the PCC by the four billing Authorities (East Riding of Yorkshire Council; Kingston upon Hull City Council; North East Lincolnshire Council and North Lincolnshire Council). The precept income is then paid to the PCC as Precept Income. |
| **Contingent asset or liability** | An asset or liability that is not recognised in the financial statements due to the level of uncertainty surrounding it but is disclosed as it is possible that it may result in a future inflow or outflow of resources. |

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|---|---|
| **Creditors** | Amounts owed by the PCC/ PCC Group for goods received or services rendered but not yet paid for at the end of the financial year. |
| **Current asset or liability** | An asset or liability that the PCC/ PCC Group expect to hold or discharge for a period of less than one year from the Balance Sheet date. |
| **Debtors** | Sums of money due to the PCC/ PCC Group for work done or services supplied but not received at the end of the financial year. |
| **Deferred liabilities** | Liabilities which by arrangement are payable beyond the next year at some points in the future or paid off by an annual sum over a period of time. |
| **Depreciation** | The accounting charge representing the use of property, plant and equipment assets which spreads the cost or value of the asset over its useful life. |
| **Employee benefits** | All forms of consideration given to employees for services rendered. These are salaries and wages, social security costs (national insurance), superannuation contributions, paid sick leave, paid annual and long service leave and termination payments. |
| **Financial instruments** | Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. |
| **Going concern basis** | The underlying assumption used in producing the financial statements that the PCC/ PCC Group will continue to operate for at least 12 months from the Balance Sheet date. |
| **Impairment** | The fall in the value of an asset. |
| **Income Received in Advance** | Income received that should be classed as a benefit in the next financial year. |
| **Intangible assets** | Capital expenditure which does not create a tangible asset. |
| **Inventories** | Stocks held by the PCC/ PCC Group such as uniforms, fuel etc. |
| **Leases** | A method of financing expenditure over a period of time. Under IFRS16 assets leased into the force are classified as Right of Use assets on the balance, with a corresponding lease liability. |
| **Liability** | An amount owing to a third party such as a loan or unpaid invoice from a supplier. |
| **Minimum Revenue Provision (MRP)** | The Minimum Revenue Provision is the amount required by statute that the PCC/ PCC Group must fund to cover the redemption of external debt, including any supported or unsupported borrowing used to fund capital; the MRP amount being equal to the capital expenditure funded by the borrowing over the expected life of the assets. |
| **Medium Term Resource Strategy (MTRS)** | The MTRS covers a 5 year period and describes the financial direction of the Chief Constable and the PCC capturing known and estimated funding, financial pressures, staffing resources and development needs as well as seeking to identify financial risks. It is an indication of the likely direction of financial planning over the next year. |
| **Net assets** | Total assets less total liabilities. |
| **Non-current asset or liability** | An asset or liability that the PCC/ PCC Group expects to hold or discharge for a period of more than one year from the Balance Sheet date. |
| **Non Distributed Cost** | This is where overheads are not charged or apportioned to activities within the SeRCOP service expenditure analysis. |
| **Precept** | A levy which the PCC makes through the Council Tax to pay for services. |
| **Prepayment** | Where an amount of expenditure is paid in the current financial year, but the goods or services are a benefit in the next/following year. |
| **Provision** | An amount set aside to provide for a liability which is likely to be incurred but the exact amount and the date on which it will arise are uncertain. |
| **Prudential Borrowing** | This is the borrowing as part of funding of capital expenditure, where no actual loan is taken out to match the element of expenditure incurred.<br>The affect is shown through the Capital Financing Requirement and is the amount to be funded when all other funding types i.e. capital grant, revenue, capital receipts etc. have been used. |

| | |
|---|---|
| **Remeasurements of the Net Defined Benefit Liability** | For a defined benefit pension scheme, the changes that arise because : events have not coincided with actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed. |
| **Reserves** | General reserves are accumulated balances available to support revenue or capital spending and meet unforeseen events. Earmarked reserves are amounts set aside for an agreed purpose in one financial year and carried forward to meet expenditure in future years. |
| **Revenue expenditure** | Spending on day to day items, including salaries, premises costs and supplies and services. |
| **The Code** | The Code of Practice published by CIPFA, relating to Local Authority Accounting in the United Kingdom and is issued each year. |
| **Unrealised gains and losses** | Unrealised gains and losses are those which have been recognised by the PCC/PCC Group in its financial statements but are only potential gains as they have yet to be realised, such as rises and falls in the value of land and buildings due to changes in the property market. The gain or loss only becomes realised when the property is sold. |

**Acronyms and Abbreviations**

| | |
|---|---|
| CARE | Career Average Revalued Earnings |
| CIES | Comprehensive Income and Expenditure Statement |
| CIPFA | Chartered Institute of Public Finance and Accountancy |
| ESFM | Emergency Services Fleet Management |
| IAS | International Accounting Standards |
| IFRS | International Financial Reporting Standards |
| JES | Joint Estates Services |
| LASAAC | Local Authority (Scotland) Accounts Advisory Committee |
| LGPS | Local Government Pension Scheme |
| MRP | Minimum Revenue Provision |
| MTRS | Medium Term Resource Strategy |
| NPCC | National Police Chiefs Council |
| OPCC | Office of the Police and Crime Commissioner |
| PCC | Police and Crime Commissioner |
| PCP | Police and Crime Panel |
| PCSO | Police Community Support Officer |
| PRSRA | Police Reform and Social Responsibility Act |
| PWLB | Public Works Loans Board |
| SeRCOP | Service Reporting Code of Practice for Local Authorities |
| VAT | Value-Added Tax |
| VFM | Value for Money |