



THE CHIEF CONSTABLE OF NORTH YORKSHIRE
STATEMENT OF ACCOUNTS | 2023-24 1st April 2023 to 6th MAY 2024

CONTENTS

Part One

Narrative Report

Part Two - Statement of Accounts

Statement of Responsibilities

Movement in Reserves Statement

Comprehensive Income and Expenditure Statement

Balance Sheet

Cash Flow Statement

Accounting Policies

Notes to the Accounts

Police Pension Fund Accounts

Notes to the Police Pension Fund Accounts

Independent Auditor's Report

Part Three

Glossary of Terms

Acronyms

NARRATIVE REPORT TO THE STATEMENT OF ACCOUNTS for the CHIEF CONSTABLE of NORTH YORKSHIRE

The Narrative Report pulls together in a single document information on the budget preparation process, final accounts, performance information, medium term financial plans and other contextual information such as workforce numbers and strategic risk. The Narrative Report provides how North Yorkshire Police has used its resources to achieve its desired outcomes in line with its objectives and strategies.

These Statement of Accounts have been prepared in accordance with the requirements of the Code of Practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA). These statements are produced with the aim of providing information to help the reader:

- Understand the overarching financial position of North Yorkshire Police.
- Have confidence that the Chief Constable has spent public money wisely and it has been accounted for in an appropriate manner.
- Be assured that the financial position of the Chief Constable is sound and secure.

The style and format of the accounts complies with CIPFA standards.

1. An Introduction to North Yorkshire

North Yorkshire Police is the third largest geographic area of responsibility in England and Wales whilst being the 15th smallest force in terms of police officer numbers. It covers a population of over 1.2 million people from diverse social, economic, cultural and religious backgrounds.

The North Yorkshire force area covers City of York, Selby, Scarborough, Ryedale, Hambleton, Richmondshire, Harrogate and Craven. The Districts are responsible for local policing services across the Force that address local priorities. Specialist departments deliver the full range of other force-wide policing functions.

Demand and workload in North Yorkshire and policing generally is increasing in volume and also complexity. 999 calls are at the highest ever level. The challenging areas currently in policing include increasing complexity of crime and investigations in a digital age, safeguarding, in particular those crimes which disproportionately impact on violence against women and girls and the links between serious and organised crime, violence and vulnerability. All this is within the context of a reduction in Government funding with concerns about the long-term pressures with the increased demand and involvedness of policing activity.

2. Governance Structure

The former PFCC, Zoë Metcalfe, was elected as the Police, Fire and Crime Commissioner (PFCC) in November 2021 and therefore these Statement of Accounts 2023/24 are extended to 6th May 2024 reference the PFCC. The PFCC role was abolished with responsibilities of that role being incorporated into the role of Mayor for York and North Yorkshire from 7th May 2024.

The transfer of the PFCC functions to the Mayor on 7th May 2024 means that the legal entity known as North Yorkshire Police, Fire and Crime Commissioner ceased to exist. As a result, the accounts for 2023/24 have been prepared on an extended period of time from 1 April 2023 to 6th May 2024, where the comparator year Accounts for 22/23 are prepared on the standard 12 months (1 April 2022 to 31 March 2023).

The PFCC is responsible for the formal oversight of North Yorkshire Police, including provision of all funding, setting the precept, performance scrutiny and delivery against the Police and Crime Plan. The PFCC is also responsible for holding the Chief Constable to account for ensuring North Yorkshire Police is run efficiently and effectively. Operational decision-making on day-to-day policing matters and the employment of police staff remains the responsibility of the Chief Constable.

Under the legislative framework and local arrangements, the PFCC is the recipient of funding relating to policing and crime reduction and allocates budget to North Yorkshire Police. The PFCC has overall responsibility for entering into contracts and establishing the contractual framework under which the Chief Constable's officers and staff operate. Under the legislative framework and local arrangements, OPFCC owns all the assets utilised by North Yorkshire Police and the functions and decisions relating to such properties, rights and liabilities are exercised and made by the PCC. Any receipts arising from such properties, rights and liabilities are to be paid into the OPFCC. The PFCC can delegate decisions in respect of assets and liabilities and does this through a scheme of delegation.

3. The Chief Constable

The Chief Constable was established as a Corporation Sole under the Police Reform and Social Responsibility Act 2011 (PRSRA). The Chief Constable is a separate legal entity, distinct from the Office for the Police, Fire and Crime Commissioner (OPFCC) and has operational independence where each has specific roles and responsibilities under the PRSRA.

The primary function of the Chief Constable is the exercise of operational policing duties under the Police Act 1996. He holds office under the Crown but is appointed by the Police, Fire and Crime Commissioner (PFCC) and is accountable to the PFCC for the delivery of an efficient and effective police force in North Yorkshire.

The Chief Constable fulfils his statutory responsibilities for delivering an efficient and effective police force within an annual budget, extended in 2023/24 to 6th May 2024, which is set by the PFCC in consultation with the Chief Constable.

The Chief Constable ultimately has a statutory responsibility for maintaining the King's peace and, to do this, has direction and control over police officers and police staff employees. It is recognised that in exercising day to day direction and control, the Chief Constable will undertake activities, incur expenditure and generate income to allow the police service to operate effectively.

As a separate legal entity, the Chief Constable is required to prepare a set of statutory accounts for policing North Yorkshire that recognise all the financial transactions incurred in the extended financial year. The extended financial year is due to the York & North Yorkshire Combined Authority (Election of Mayor and Functions) Order 2023.

The OPFCC, as the statutory body for the Mayor who has ultimate control over the Chief Constables' resources, has to prepare consolidated group accounts. Expenditure in respect of operational policing, police officer and police staff employee costs are shown in the Chief Constable's Statement of Accounts, whilst the funding sources (i.e., Central Government Police Grant) are shown in the consolidated group accounts of PFCC of North Yorkshire. It is appropriate that a distinction is made between the financial impact of the day to day direction and control exercised by the Chief Constable and the overall strategic control of the PFCC.

From 7th May 2024 under the York & North Yorkshire Combined Authority (Election of Mayor and Functions) Order 2023 the role described for the PFCC will next year move to the Mayor.

4. Financial Performance

a. Economic Climate

The 2022/23 financial year saw an economic environment of high inflation, particularly affecting energy and fuel prices and leading to higher than anticipated pay settlements, thus increasing the cost of delivering all council services. Whilst 2023/24 has seen a gradual reduction in the level of inflation, this simply means a slower increase in costs and does nothing to reverse the increases in the cost base which were experienced in the previous year. Further, the associated cost of living crisis has created increasing demand as conditions in the wider economy impact on all businesses and the community.

Whilst it is expected that inflation will continue to stabilise at more normal levels during 2024/25, it is also expected that demand and higher costs will continue for some time to come, and thus savings will need to be identified for 2025/26 and beyond.

How the incoming government responds to the financial pressures facing the police service in the short term could be key in determining the level of savings which will need to be made North Yorkshire. The extent to which income from government grants and local taxation will rise for 2025/26 to meet the current circumstances will not be known until the financial settlement for 2025/26 is announced, expected in December 2024.

The North Yorkshire Police Budget for 2024/25 has identified in year the requirement for planned savings to be achieved to balance the budget position at year end from the ever changing demands presented to the Force to be met within same budget envelope. Delivery of the action plans is needed to realise these savings and will be monitored closely throughout the year. At this stage we anticipate needing to make further savings over the next three years medium term financial plan. The force is committed to shaping the delivery of frontline service in a way which is financially sustainable for the future.

With regards to this statement of accounts, it should be noted that the financial challenges being faced do not impact on the 'going concern' for the production of the accounts. The Code of Practice requires that all Police Force's produce their accounts on a going concern basis.

b. Financial Management

The vast majority of the funding available to the Chief Constable is provided from the Police, Fire and Crime Commissioner (PFCC) that outlines the budgetary constraints in which the Force works within, to delivering against the Police and Crime Plan.

The PFCC provides a stable financial platform for the Force to work to and within, despite the significant level of unknowns around various areas of future funding. The aim of the PFCC's approach is to support and enable good strategic planning, decision making and ultimately service delivery by the Force.

The Medium Term Financial Plan shows the budget envelop for the Force to operate within over the next 4 years which is a balance position.

Budget description	Original Budget	Forecasts			
		2024/25	2025/26	2026/27	2027/28
	2023/24				
Police Force Planned Expenditure	£000s	£000s	£000s	£000s	£000s
Pay					
Police Pay	96,951	106,717	107,990	110,004	111,367
Police Overtime	2,904	2,613	3,331	4,085	3,708
PCSO Pay (incl Overtime)	6,880	6,770	8,100	8,936	9,122
Staff Pay (incl Overtime)	44,875	47,390	48,518	49,481	50,512
Pay Total	151,610	163,490	167,939	172,506	174,709
Non-Pay Budgets					
Other Non Salary	2,390	4,731	2,576	2,559	2,555
Injury and Medical Police Pensions	4,051	4,475	4,514	4,505	4,505
Premises	5,722	5,561	5,674	5,787	5,900
Supplies and Services	23,779	26,079	25,908	26,280	27,394
Transport	3,523	3,114	3,159	3,198	3,262
Non-Pay Total	39,465	43,960	41,831	42,329	43,616
Total Planned Force Expenditure	191,075	207,450	209,770	214,835	218,325

All the assumptions underpinning the current MTFF will be revisited and updated as work continues on the next 2025/26 budget cycle. As referred above, the UK economy since 2023 has gone through a significantly higher period of inflation. Higher than expected pay awards in 2023/24 and higher levels of inflation staying stronger for longer will adversely impact on the MTFF.

North Yorkshire is moving towards robust and sound financial management practices. Comprehensive financial reports were submitted to the Chief Officer Team on a monthly basis during the extended 2023/24 financial year to 6th May 2024. Medium Term Financial Forecasts (MTFF) are refreshed regularly, decisions are taken based on current and future financial information. The PFCC received budget monitoring and financial forecasting information at monthly Executive Boards. Regular meetings take place between the North Yorkshire Police Chief Finance Officer and PFCC Chief Finance Officer. This provides a stable platform for the 2023/24 extended financial year to 6th May on which the statement of accounts are prepared and provides a positive opportunity for the newly elected Mayor.

c. Revenue Outturn 2023/24

The following table provides a high level comparison between the approved budget and actual expenditure for the Chief Constable for 2023/24. The Cost of Police Services is under the direction and control of the Chief Constable:

2023/24 + extended financial year to 6 th May 2024	Budget	Actual	Variation
NET SERVICE EXPENDITURE	£'000	£'000	£'000
Total Employee Related Costs	161,658	161,175	-483
Premises Related Expenditure	5,722	6,196	474
Supplies and Services	23,208	23,552	344
Transport Related Expenditure	3,539	3,511	-28
Other Service Expenditure	4,051	4,532	481
Cost of Police Services	198,178	198,966	788

The Cost of Police Services in the above table is different to the Net Cost of Police Services reported in the Comprehensive Income and Expenditure Statement Period 1 April 2023 to 6 May 2024 shown on page 11, which is prescribed by the Code of Practice (Code). The difference is primarily made up of accounting adjustments required by the Code incorporating items such as accumulated absences but also exceptionally this year by the additional 36 days for the extended financial year end.

Further information on The Expenditure and Funding Analysis in Note 2 of the accounts shows how annual expenditure is used and funded from resources (government grants and precept) by North Yorkshire's Chief Constable in comparison with those resources consumed or earned in accordance with generally accepted accounting practices required by the Code. It shows how this expenditure is allocated for decision making processes.

5. Non-Financial Performance

His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) grading

The HMICFRS PEEL inspection report published in 2024 demonstrated North Yorkshire Police's continuous improvement in many areas since the last HMICFRS inspection in 2022. HMICFRS graded the force as 'good' in five areas of policing reflecting the efficiency, effectiveness and legitimacy of the services North Yorkshire Police provide. It is acknowledged there are still some areas for improvement however the force is working towards its aspiration of becoming an outstanding force.

Outstanding	Good	Adequate	Requires improvement	Inadequate
	Preventing crime	Investigating crime		
	Recording data about crime	Responding to the public		
	Police powers and public treatment	Developing a positive workplace		
	Protecting vulnerable people	Leadership and force management		
	Managing offenders			

Strategic planning, demand management and financial management were graded as adequate as part of this assessment. The report outlined that the force displays an effective approach to financial management and its plans are prudent. The forecasts in its medium-term financial plan are based on realistic assumptions about future funding and expenditure.

The report outlined that the force has developed a clear 'plan on a page' which reflects the North Yorkshire police, fire and crime commissioner's Police and Crime Plan 2022-25. During the inspection, HMICFRS assessed how the force manages its performance to help it meet those priorities. The force has successfully introduced a new strategic planning framework, changing its governance structure and the way that it scrutinises performance. Its governance arrangements make good use of quality data, and this allows it to accurately measure its performance. These measures are strategically aligned with the force's 'plan on a page', which makes sure that it effectively addresses local and national priorities.



The Force has invested in all areas during the last 12 months including Safeguarding, Neighbourhood Policing, Investigations, Criminal Justice, and Digital Forensics where the Force's performance is reflected as follows:

Force Control Room

- Answered 116,497 emergency (999) calls, answering 85.8% of 999 calls within 10 seconds.
 - A total of 8,709 (8.1%) additional 999 calls were answered in 2023/24 compared to 2022/23, calls answered within the 10 second SLA increased by 26.9%.
 - The average answer time reduced from 19 seconds in 2022/23 to 7 seconds in 2023/24 for 999 calls.
 - Answered 188,199 non-emergency (101 calls), answering 52.5% of 101 calls within 3 minutes. The % of 101 calls answered within 3 minutes increased from 45.9% to 52.5% year on year.
 - Comparing 2023/24 with 2022/23, recorded a reduction in the number of abandoned 101 calls from 18% to 17%.
- The average wait time for a call to be answered from 101 reduced from 5 minutes 50 seconds (22/23) to 4 minutes 57 seconds (23/24)

Response Times

- Response times (Initial Call to Arrival at scene) Service Level agreements for Immediate Urban (Within 15 minutes) incidents has improved from 69.4% (2022/23) to 83.6% (2023/24)
- Response times (Initial Call to Arrival at scene) Service Level agreements for Immediate Rural (Within 20 minutes) incidents has improved from 63.4% (2022/23) to 76.8% (2023/24)
- Response times (Initial Call to Arrival at scene) Service Level agreements for Priority graded incidents has improved from 65.9% (2022/23) to 73.5% (2023/24)

Other

- 14,390 individuals arrested in 2023/24
- Reduction in missing person incidents by 7% comparing 2022/23 to 2023/24
- Total Crime has reduced by 2284 crimes (4.4%) comparing 2022/23 to 2023/24
- North Yorkshire Police remains the highest ranked force for Confidence in the public according to the Crime Survey for England and Wales at the end of 2023/24

6. People/Workforce

Police Officers - The Core Budget for Police Pay for 2023/24 was set based on delivering 1,645 FTE Police Officers throughout the year. Following this the Home Office confirmed continued support for over recruitment, with North Yorkshire Police's target set at 35 above budget. In order to secure the funding checkpoints were put in place in September and March. At 31st March the Force had a headcount of 1,703 officers (1685 FTE), which was 23 surplus to the Uplift requirement. The average FTE for 23/24 totalled 1662 (1688 headcount).

Police Community Support Officers - The Core Budget for PCSO Pay for 2023/24 was set based on delivering 176.5 FTEs throughout the year. The actual at 31st March 2024 was 150 FTE. On average, 166 FTE PCSOs were employed throughout 23/24, approximately 10 FTE less than budget.

Office Staff - The budget for Staff Pay for 2023/24 was set based on 1,219 FTEs (excluding OPFCC and Commissioned Services). An allowance for 74 vacancies means the budget had sufficient funding to support a staff establishment of 1,145 FTEs. At 31st March the force had 1,106 FTE in employment, with 39 vacancies. In reality this reflected 113 vacancies. An average of 1,100 FTE were in role throughout 23/24. The vacancies materially sat within three departments across the force - Enable (24 FTE at March 24), Customer Contact (38 FTE at March 24) and Criminal Justice (50 FTE at March 24).

7. Principal Risks and Uncertainties

North Yorkshire Police operates an embedded risk management process which helps it protect itself and make the most of opportunities by mitigating potential threats. Identifying, assessing and prioritising potential threats, and their likely impact, means being better prepared to deal with events should they occur. A clear understanding of risk management therefore presents North Yorkshire Police with opportunities to introduce innovative ways of delivering its services, with better outcomes for the community.

The Force risks are managed and monitored through the quarterly Risk and Assurance Board chaired by the Deputy Chief Constable. There are clearly defined steps to support better decision making through the understanding of risks, whether a positive opportunity or a threat and the likely impact.

The Chief Constable's Chief Officer Team actively manages these and during 2023/24 bi-monthly updates were provided to the Office of the North Yorkshire Police, Fire and Crime Commissioner and the Joint Independent Audit Committee.

COMBINED PID (Residual Shown in Black, Target Shown in White)					ID	Risk Type	Residual Score Trend	Target Score Trend	Risk Title
Probability	Impact								
	Negligible	Minor	Significant	Severe					
	Highly Probable			8628	7581	Risk	⇒	⇒	Failure to ensure effective financial control and financial planning processes.
	Probable				8004	Risk	⇒	⇒	Partial or Total Loss of IT Service Provision which impacts on service to the public
	Unlikely				8584	Risk	⇒	⇒	Long term vacancies and high turnover impacts negatively on the ability to deliver effective and consistent services.
Highly Improbable					8586	Risk	⇒	⇒	Failure to effect smooth transition of enableNY to the potential Mayoral governance model.
					8628	Risk	⇒	⇒	Prevailing difficulties in the retention and recruitment of Detective roles impact on services to the public
					8755	Risk	⇒	⇒	Organisational capacity and capability is stretched by a focus on delivering improvements required as a result of HMICFRS findings in addition to previously approved change activity

The highest scoring strategic risks cover funding and resourcing.

8. Pensions

As part of the terms and conditions of officers and employees, CCNY offers retirement benefits in accordance with national agreements and schemes and participates in a number of pension schemes and is detailed in Note 14.

- **A Local Government Pension Scheme (LGPS)** for police staff, administered by North Yorkshire Council. These are funded defined benefit schemes, meaning that CCNY and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets;

- **Three Police Pension Schemes for police officers.**

These are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet the pension liabilities, but finance is only required to be raised to cover police pensions when the pensions are actually paid. Funding arrangements for the Police Pension Fund are detailed in the Police Pension Fund Accounts.

Although pension benefits will not actually be payable until employees retire, CCNY has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement and details are provided in Statement of Accounts Note 16. The liabilities show the underlying commitments that CCNY has in the long run to pay retirement benefits. The total liability has a substantial impact on the net worth of CCNY as recorded in the Balance Sheet and results in a negative overall balance. However, statutory arrangements for funding the deficit mean that the financial position of CCNY remains healthy.

9. Summary and Conclusion

North Yorkshire Police deliver effective financial management to support the delivery of the Chief Constable's Policing Strategy during 2023/24 and the PFCC's Police and Crime Plan. The Chief Officer team is fully engaged with the budgeting process for 2025/26 to ensure resources are directed to priority areas with the Strategic Planning Day focusing on this preparation at the beginning of July 2024.

The Force is in a growing stronger position as evidenced by the Force Management Statement and also the HMICFRS PEEL inspection report published in 2024 with the aspiration of becoming an outstanding force and the workforce being aligned to address priority and risk areas for the Force.

Funding remains a challenge for the Force and Force performance, with concerns about the long-term pressures with the increased demand and complexity of policing activity.

10. Explanation of Accounting Statements

The financial statements have been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting. This follows International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to these accounts as determined by His Majesty's Treasury.

The Statements reflect the current legislative framework, central to which is the Police Reform and Social Responsibility Act 2011.

Fundamentally, North Yorkshire PFCC is responsible for the finances of the whole Group and controls the assets, the majority of liabilities and the reserves. PFCC receives all the income and funding and makes all payments to the Chief Constable. In turn, the Chief Constable has a duty to fulfil prescribed functions under the Police Reform and Social Responsibility Act 2011 within the annual budget set by PFCC in consultation with the Chief Constable.

As the functions of the North Yorkshire Police Fire and Crime Commissioner (PFCC) were transferred by Parliamentary Order 2023 to an Elected Mayor of North Yorkshire with effect from 7th May 2024, the Comprehensive Income and Expenditure Statement for the 2023/24 is extended by 36 days (1 April 2024 to 6 May 2024). The comparator financial year 2022/23 covers 12 months (1 April 2022 to 31 March 2023).

The **Core Statements** are:

- **Comprehensive Income and Expenditure Statement (CIES):** shows the cost for the year of providing services. North Yorkshire PFCC receives all income which is, therefore, excluded from the Chief Constable's Statement.
- **Movement in Reserves Statement (MiRS):** shows the movement of reserves during the year, analysed between usable and unusable reserves. The Chief Constable has no usable reserves. Unusable reserves are those that have been created to reconcile the accounting entries required to comply with the Code with those that must be statutorily charged to the General Fund Balance for council tax setting purposes. These cannot be used to support local expenditure.
- **Balance Sheet (BS):** sets out the assets, liabilities and reserves of the Chief Constable as of 31 March each year, and for 2023/24 the extended year end to 6h May 2024 covering 12 months and 36 days. The Balance Sheet and other Financial Statements for the comparable year 2022/23 is a 12 month period (1 April 2022 to 31 March 2023).
- **Cash Flow Statement (CFS):** summarises the movements in cash and cash equivalents during the year. All the changes in cash and cash equivalents are presented in North Yorkshire PFCC's accounts, so this statement simply shows the net surplus or deficit on the provision of services adjusted for non-cash movements.
- **Accounting Policies:** explain the basis of the preparation of figures in the accounts. The accounts can only be properly appreciated if the policies that have been followed in dealing with material items are explained. Changes in policies from previous years have been clearly shown

A Glossary of key terms can be found at the end of this publication.

Inspection of the Accounts:

- Under Sections 25 and 26 of the Local Audit and Accountability Act 2014 (the Act) interested parties and local government electors have the right to inspect CCNY's accounts and supporting documents, and to question the auditor, or make objections to the matters contained in them. The times at which the accounts are deposited for inspection are advertised on both the Commissioner's and the Chief Constable's websites.
- Every effort has been made to ensure the accuracy of these accounts and compliance with accounting requirements.

11. Acknowledgements

The production of the Statement of Accounts would not have been possible without the exceptionally hard work and dedication of staff across the Enable Service in North Yorkshire Police and North Yorkshire Fire and Rescue Service. Gratitude is expressed to all colleagues, especially from Finance, who have led in the preparation of this document. Thanks also goes to them for all their support during the financial year.

The CCNY's external auditors are:

Mazars LLP
The Corner
Bank Chambers
26 Mosley Street
Newcastle upon Tyne
NE1 1DF



Louise Branford-White
Head of Finance and North Yorkshires Chief Constable's Chief Finance Officer
Date: 26 February 2025

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Responsibilities of the Chief Constable of North Yorkshire

- make arrangements for the proper administration of their financial affairs and to ensure that one of their officers has the responsibility for the administration of those affairs. In this Force, that officer is the Chief Constable's Chief Finance Officer;
- manage their affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- approve the Statement of Accounts.



Chief Constable of North Yorkshire

Date: 26 February 2025

The Responsibilities of the Chief Constable's Chief Finance Officer

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

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.

Certificate by the Chief Constable's Chief Finance Officer

I certify that the Statement of Accounts has been prepared in accordance with proper accounting practice and presents a true and fair view of the financial position of the Chief Constable of North Yorkshire at 6 May 2024, and its income and expenditure for the year then ended.



Louise Branford-White

Head of Finance and North Yorkshires Chief Constable's Chief Finance Officer

Date: 26 February 2025

MOVEMENT IN RESERVES STATEMENT for the PERIOD 1 APRIL 2023 to 6 MAY 2024

	Note	General Fund Balance '000	Total Usable Reserves '000	Total Unusable Reserves '000	Total Reserves '000
Balance at 1 April 2022		-	-	(1,951,767)	(1,951,767)
Total Comprehensive income and expenditure		(75,405)	(75,405)	664,997	589,592
Adjustments between accounting basis & funding basis under regulations	1	75,405	75,405	(75,405)	-
Net increase/(decrease)		-	-	589,592	589,592
Balance at 31 March 2023		-	-	(1,362,175)	(1,362,175)
Total Comprehensive income and expenditure		(59,246)	(59,246)	50,941	(8,305)
Adjustments between accounting basis & funding basis under regulations	1	59,246	59,246	(59,246)	-
Net increase/(decrease)		-	-	(8,305)	(8,305)
Balance at 6 May 2024		-	-	(1,370,480)	(1,370,480)

An analysis of Unusable Reserves is provided in Note 4 to the accounts.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT PERIOD 1 APRIL 2023 TO 6 MAY 2024

		2023/24	2022/23
		Income/ Expenditure	Income/ Expenditure
	Note	£'000	£'000
Other Income		(10,492)	(9,372)
Salary Costs		163,081	168,011
Other non Salary employee costs		5,047	3,833
Police Injury Pension Costs		4,638	3,894
Premises Costs		6,734	5,499
Supplies and Services		26,289	22,446
Transport Costs		3,817	3,536
Financial Costs		6,198	1,329
Project Costs		-	4
Cost of Police Services		205,312	199,180
Non-Distributed Costs:			
* Past Service Costs	14	(10)	-
* Intragroup Funding	5	(214,786)	(175,219)
Net Cost of Services		(9,484)	23,961
Financing and Investment Income and Expenditure	6	68,729	51,445
(Surplus) or Deficit on the Provision of Services		59,246	75,405
Other Comprehensive Income and expenditure			
(Surplus) or deficit on remeasurements of defined benefit liability	4a	(50,947)	(664,997)
Other Comprehensive (Income) and Expenditure		(50,947)	(664,997)
Total Comprehensive (Income) and Expenditure		8,299	(589,592)

A comparison between expenditure funded by NYPFCC and resources consumed in accordance with accepted accounting principles is provided in the Expenditure and Funding Analysis (Note 2)

BALANCE SHEET for the PERIOD 1 APRIL 2023 to 6 MAY 2024

		6 May 2024	31 March 2023 Restated
	Note	£'000	£'000
Long term Assets			
Pensions Asset	14	-	46,038
Current Assets			
Inventories	11	1,107	768
Cash and Cash Equivalents	12	16	22
Total Current Assets		1,123	46,828
Total Assets		1,123	46,828
Current Liabilities			
Short-term Creditors	13	(4,313)	(3,423)
Total Current Liabilities		(4,313)	(3,423)
Long-Term Liabilities			
Pension Fund Liability	14	(1,367,290)	(1,405,580)
Total Long-Term Liabilities		(1,367,290)	(1,405,580)
Net (Liabilities) / Assets		(1,370,480)	(1,362,175)
Reserves			
Unusable Reserves			
Pensions Reserve	4	(1,367,290)	(1,359,542)
Accumulated Absences Account	4	(3,190)	(2,633)
Total Unusable Reserves		(1,370,480)	(1,362,175)
Total Reserves		(1,370,480)	(1,362,175)
		-	

CASH FLOW STATEMENT for the PERIOD 1 APRIL 2023 to 6 MAY 2024

		2023/24	2022/23
	Note	£'000	£'000
			Restated
Net deficit / (surplus) on the provision of services		59,246	75,405
<i>Adjustments to net deficit / (surplus) on the provision of services for non-cash movements:</i>			
Decrease / (increase) in provisions		-	2,487
Movement in pension liability		(58,695)	(75,507)
Increase / (decrease) in debtors		-	(16,708)
(Increase) / decrease in creditors		(885)	14,109
Increase / (decrease) in inventories		339	207
		(59,241)	(75,412)
<i>Adjustments for items included in the net deficit / (surplus) on the provisions of services that are investing and financing activities:</i>			
Net Cash Flows from Operating Activities		6	(7)
Net (increase) / decrease in cash and cash equivalents		6	(7)
Cash and cash equivalents at the beginning of the reporting period	12	22	15
Cash and cash equivalents at the end of the reporting period	12	16	22

ACCOUNTING POLICIES for the PERIOD 1 APRIL 2023 to 6 MAY 2024 for the CHIEF CONSTABLE of NORTH YORKSHIRE

1. General and Changes in Accounting Policy

These financial statements are prepared in accordance with the Accounts and Audit (England) Regulations 2015 and proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 (the Code) supported by International Financial Reporting Standards (IFRS) and statutory guidance.

The accounts have been prepared on a going concern basis using a historical cost convention, modified by the revaluation of certain categories of non-current assets and financial instruments.

The requirement in section 3(3) of the Local Audit and Accountability Act 2014(98) for a relevant authority to prepare a statement of accounts for each financial year ending on 31st March is modified under section 39 of the Order whereby in the case of North Yorkshire Police, Fire & Crime Commissioner for the financial year which began on 1st April 2023, to prepare a statement of accounts from that date for the period ended 6th May 2024. Therefore the amounts presented in these accounts for the prior period covering 1st April 2022 to 31st March 2023 are not entirely comparable.

The principal accounting policies adopted are set out below.

2. Accounting Principles

Balance Sheet

All payments on behalf of the Group are made by NYPFCC from the Police Fund and all income and funding is received by NYPFCC. NYPFCC has the responsibility for managing the financial relationships with third parties and has legal responsibilities for discharging the contractual terms and conditions of suppliers.

Based on the statutory powers and responsibilities as designated by the Act, and the local agreements and practice in place, and taking account of the guidance included in the Code, it has been determined that substantially all the assets and reserves of the Group are recognised on the NYPFCC Balance Sheet. Each individual entity balance sheet includes the assets and liabilities arising from transactions included in the relevant CIES.

Comprehensive Income and Expenditure Statement (CIES)

Under the Act, CCNY is responsible to NYPFCC for the day to day provision of policing functions, including the direction and control of police officers. Staff providing Corporate Support Services (comprising Information Communications and Technology, Estates, Transport and Logistics, Corporate Communications, Legal Services and Finance) are under the direction and control of NYPFCC.

Expenditure related to the provision of policing services by officers and staff under the direction and control of CCNY appears in the CCNY CIES. Expenditure related to the provision of Corporate Support Services appears in the NYPFCC single entity CIES, and is then recharged to CCNY, so that all of the cost of Police Services appears in the CCNY CIES. The cost of Police Services is funded by a recharge to NYPFCC.

Intra-Group Charges

NYPFCC makes charges to CCNY:

- for the use of Long-Term Assets, equivalent to the debits made to the NYPFCC CIES for the impairment, depreciation, amortisation and revaluation of the assets;
- for the provision of Corporate Support Services.

CCNY makes charges to NYPFCC:

- for the cost of policing services.

3. Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Supplies are recorded as expenditure when they are consumed;
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made;
- Where expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

4. Grants and Contributions

Whether paid on account, by instalments or in arrears, third party contributions are recognised as income when there is reasonable assurance that:

- the conditions attached to the payments will be complied with; and
- that the contributions will be received.

Amounts recognised as due are not credited to the CIES until conditions attached to the contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the contribution is credited to the relevant service line in the CIES.

Police Pension Top-Up Grant

The top-up grant receivable from NYPFCC in respect of the Police Pension Fund is credited to the Police Pension Fund Accounts and does not appear in the CCNY CIES. This treatment is in line with the requirements of the Police Pension Fund Regulations 2007 (SI 1932/2007) (updated by SI 1887/2008).

5. Employee Benefits

Short-Term Employee Benefits

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include wages and salaries, annual leave, flexitime, time-off in-lieu and re-rostered rest days and are recognised as an expense for services in the year in which employees render service. An accrual is made for the costs earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the relevant service line in the CIES and then reversed out through the Movement in Reserves Statement.

Termination Benefits

Termination benefits are amounts payable as a result of a decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept voluntary redundancy, and are charged on an accruals basis to the relevant service or, where applicable, to the Non-Distributed Costs line in the CIES when there is a demonstrable commitment to the termination of the employment of an employee or group of employees or to the making of an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end.

Retirement Benefits

Officers and staff participate in pension schemes, with separate schemes for police officers and for police staff. All schemes provide members with defined benefits (retirement lump sums and pensions) related to pay and service.

The main aspects of these pension schemes are:

- (a) The attributable assets of each scheme are included in the Balance Sheet at fair value;
- (b) The attributable liabilities of each scheme are measured on an actuarial basis using the projected unit credit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc. and projections of earnings for current employees;
- (c) Scheme liabilities are discounted at a rate that is determined by reference to market yields at the end of the reporting period on high quality corporate bonds;
- (d) The surplus/deficit in each scheme is the excess/shortfall of the fair value of assets in the scheme over/below the present value of the scheme liabilities;
- (e) The change in the net pensions liability for each scheme is analysed into seven components:
 - Current service cost - the increase in liabilities as a result of years of service earned this year. The current service cost is stated net of employees' contributions, so as to reflect the part of the total pensions liabilities that are to be funded by CCNY - allocated in the CIES to the services for which the employees worked;
 - Past service costs - the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years - debited to the Surplus or Deficit on the Provision of Services in the CIES as part of Non-Distributed Costs;
 - Net interest on the defined benefit liability - the change during the year in the net defined benefit liability or asset that arises from the passage of time - debited to the Financing and Investment Income and Expenditure line in the CIES;
 - Return on assets - the annual investment return on the fund assets attributable to CCNY, based on an average of the expected long-term return (excluding any amounts included in the Net interest on the defined benefit liability) - charged to the Pensions Reserve as Other Comprehensive Income and Expenditure;
 - Gains or losses on settlements or curtailments - the result of actions to relieve CCNY of liabilities or events that reduce the expected future service or accrual of benefits of employees - debited or credited to the Surplus or Deficit on the Provision of Services in the CIES as part of Non-Distributed Costs;
 - Actuarial gains/losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions. These include movements due to applying an asset ceiling adjustment under IFRIC14 (International Financial Reporting Interpretations Committee) to adjust for the value of the LGPS asset that cannot be realised by the Authority either through refunds or by reducing employer contributions.
 - Contributions paid to the fund - cash paid as employer's contributions to the pension fund in settlement of liabilities - not accounted for as an expense.

Statutory provisions require the General Fund Balance to be charged with the amount payable to the pension funds or directly to pensioners in the year, not the amount calculated in accordance with relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension funds and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

A separate statement of Police Pension Fund Accounts is prepared to reflect the transactions in respect of funding for the Police Pension Schemes.

6. Value Added Tax (VAT)

Income and expenditure excludes any amounts related to recoverable VAT. All VAT collected is payable by NYPFCC to HM Revenue and Customs and the majority of VAT paid is recoverable.

7. Overheads and Support Services

The costs of overheads and support services are charged to those services that benefit from the supply or service in accordance with the Authority's arrangements for accountability and performance. As a single service provider, the Authority charges all such overheads to a single segment i.e. Police, in the Comprehensive Income and Expenditure Statement.

8. Jointly Controlled Operations - Regional Working

CCNY engages in collaborative working in partnership with the other Yorkshire and the Humber forces (YATH) to deliver a number of specific services on a regional basis. The governance for this regional programme of activity is via a Regional Collaboration Board, constituted in accordance with the Heads of Agreement.

The YATH regional programme is a lead force model and each lead force is responsible for the financial administration of the programme they lead.

The participating Forces use their own resources to undertake this venture and the accounting arrangements for regional working are to account for this in line with CIPFA guidance:

- Each participant accounts for the assets it controls, the liabilities it incurs, the expenses that it incurs and the income receivable in relation to amounts re-charged to the venture.

The Group also engages in collaborative working in partnership with Cleveland and Durham forces for Specialist Operational Services (Evolve). The governance for this programme is via a Joint Governance Board constituted of Police and Crime Commissioners plus other officers of the participating forces in accordance with the section 22a agreement.

9. Charges for the Long-Term use of Assets

Long-term assets are assets that have physical substance and are held for use in the provision of services, and that are expected to be used during more than one financial year.

Based on the statutory powers and responsibilities as designated by the Act, and the local agreements and practice in place, and taking account of the guidance included in the Code, it has been determined that all the Long-Term Assets are recognised on the NYPFCC Balance Sheet.

NYPFCC makes a charge to CCNY for the use of Long-Term Assets. This charge is equivalent to the debits made to NYPFCC CIES for the impairment, depreciation, amortisation and revaluation of the assets.

10. Inventories

Inventories are included in the Balance Sheet at average prices. Obsolete and slow moving items are written off during the year and reduce the value of inventories shown in the Balance Sheet.

This treatment differs from the requirements of the Code, which requires stocks to be shown at the lower of cost and net realisable value. It is considered that this difference in treatment does not have a material effect on the accounts.

All inventories comprise supplies that are intended for use in the provision of services.

11. Debtors

Debtors are recognised and measured at the fair value of the consideration receivable when the Revenue has been recognised.

Where consideration is paid in advance of the receipt of goods or services or other benefit, a debtor is recognised in respect of the payment in advance.

In most cases, the consideration receivable is in the form of cash or cash equivalents and the amount of revenue is the amount receivable. However if payment is on deferred terms, the consideration receivable is recognised initially at the cash price equivalent. The difference between this amount and the total payments is recognised as interest revenue in Surplus or Deficit on the Provision of Services in the CIES. Short duration receivables with no interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

There is no difference between the delivery and payment dates for non-contractual, non-exchange transactions (e.g. revenue from precepts) and therefore these transactions are always measured at the full amount receivable.

A provision for impairment of debtors is established when there is evidence that all the amounts due will not be able to be collected.

The amount of the provision is based on the best estimate of the likelihood of the recoverable amount. The carrying amount of the asset is reduced through the use of a doubtful debt provision account and the amount of the loss is recognised in the CIES within Cost of Services. When a debtor amount is uncollectable, it is written off against the doubtful debt provision account. Any subsequent recovery of amounts previously written off are credited to the CIES.

12. Cash and Cash Equivalents

Cash and Cash Equivalents include cash-in-hand and deposits that are repayable on demand. Cash equivalents are defined as deposits which:

- are repayable on demand or maturing within three months of the date of acquisition;
- are readily convertible to known amounts of cash; and
- are not subject to a significant risk of change in value.

13. Creditors

Creditors are recognised and measured at the fair value of the consideration payable when the ordered goods or services have been received.

In most cases, the consideration payable is in the form of cash or cash equivalents and the amount of the expense is the amount payable. However if payment is on deferred terms, the consideration payable is recognised initially at the cash price equivalent. The difference between this amount and the total payment is recognised as interest expense in Surplus or Deficit on the Provision of Services in the CIES. Short duration payables with no interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

There is no difference between the delivery and payment dates for non-contractual, non-exchange transactions (e.g. expense relating to council tax and general rates) and therefore these transactions are always measured at the full amount payable.

Where consideration is received in respect of revenue, but the revenue does not meet the criteria for recognition of revenue, a creditor is recognised in respect of the receipt in advance.

14. 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 instruments (e.g. trade payables and receivables) and the most complex such as equity instruments.

Typical financial instruments are trade payables and trade receivables, borrowings, bank deposits and investments.

Financial Liabilities

Financial liabilities are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the CIES for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts the estimated future cash payments over the life of the instrument to the amount at which it was initially recognised. This means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest) and interest charged to the CIES is the amount payable for the year according to the loan agreement.

CCNY has not given any financial guarantees.

CCNY has not had any gains or losses on the repurchase or early settlement of borrowing, nor any premiums or discounts on financial liabilities.

Financial Assets

Financial assets are classified into two types:

- loans and receivables - assets that have fixed or determinable payments but are not quoted in an active market;
- available-for-sale assets - assets that have a quoted market price and/or do not have fixed or determinable payments. The Group does not hold any available-for-sale assets.

Financial Assets are Measured either at Amortised Cost or at fair value. CCNY does not hold any assets measured at fair value.

Financial Assets Measured at Amortised Costs are recognised when CCNY becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line of the CIES for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. This means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Immaterial Transaction Costs

Immaterial transaction costs that the Code would usually require to be applied to adjust a financial instrument's initial carrying amount are written off immediately to Surplus or Deficit on the Provision of Services line in the CIES.

CCNY has not made any soft loans and no assets have been identified as impaired. There have not been any gains or losses arising on the de-recognition of a Financial Asset.

CCNY has not transferred any financial assets.

Compliance

In compliance with CIPFA guidance, CCNY has:

- Adopted CIPFA's Treasury Management in the Public Services: Code of Practice.
- Set treasury management indicators to control key financial instrument risks in accordance with CIPFA's Prudential Code.

15. Contingent Liabilities and Contingent Assets

Contingent Liabilities

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

Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note to the accounts.

Contingent Assets

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

Contingent assets are not recognised in the Balance Sheet but are disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

16. Leasing

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. Leases that do not meet the definition of finance leases are accounted for as operating leases.

CCNY does not have any finance leases.

Operating Leases

Rentals payable under operating leases are charged to the CIES on a straight-line basis over the term of the relevant lease, even where this does not match the pattern of payments.

Benefits receivable as an incentive to enter into an operating lease are included within deferred income and recognised in the CIES on a straight-line basis over the lease term.

17. Events after the Reporting Period

Events after the balance sheet date are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. There are two types of events:

- Adjusting events are those that provide evidence of conditions that existed at the end of the reporting period. Where any adjusting events are found, amounts recognised in the Statement of Accounts are updated to reflect those adjusting events;
- Non-adjusting events are those that are indicative of conditions that arose after the reporting period. The Statement of Accounts is not updated for non-adjusting events, but where material, disclosure is made in the notes of the nature and estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

18. Exceptional items and Prior Period Adjustments

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the CIES or in the Notes to the Accounts, depending on how significant the items are to an understanding of the financial performance.

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

Changes in accounting policies are only made when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

19. Critical Accounting Estimates and Judgements

In applying the Accounting Policies, the CCNY has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The following critical judgements have been made in the Statement of Accounts:

Future government funding

There is a high degree of uncertainty about future levels of funding for police services. However it has been determined that this uncertainty is not sufficient to provide an indication that the assets might be impaired as a result of a need to close facilities and/or reduce levels of service provision.

Transfer of Functions

The functions of the Police, Fire and Crime Commissioner for North Yorkshire (NYPFCC) were transferred by Parliamentary Order (The York and North Yorkshire Combined Authority Order 2023) to the Elected Mayor of York and North Yorkshire Combined Authority from 7th May 2024. The transfer to the Mayor means that the legal entity known as the Police, Fire and Crime Commissioner for North Yorkshire ceased to exist as of 6th May 2024 and all staff, rights and liabilities transferred to the Combined Authority. The Chief Constable of North Yorkshire (CCNY) remain a corporation sole following the transfer and the accounts presented here are those of the CCNY. The Combined Authority with effect from 7th May 2024 is identified as the parent organisation of CCNY.

The Statement of Accounts cover the period from 1st April 2023 to 6th May 2024 (a period of 13 months and 6 days). In preparing the Balance Sheet as at 6th May 2024, the following critical judgements were adopted by management:

- IAS pension entries for the period ended 6th May are based upon reports obtained from CCNY's actuaries as at the balance sheet date.
- Cash and cash equivalents reported are actuals as at 6th May 2024.
- Insurance provisions are based upon claims as at the balance sheet date.

Transactions for the period 1st April 2024 to 6th May 2024 were examined and the following items deemed material and accrued into the statements for the 36 day period:

- Pay and associated employer costs are accrued on the basis of actual costs to 30th April 2024 and 6 days' expected costs to 6th May 2024.
- Non pay costs are accrued on the basis of 36 days' expected costs.
- Grants and other income are accrued on the basis of 36 days' expected receipts.
- Pension income and expenditure are accrued on the basis of actual costs/receipts to 30th April and 6 days' expected costs/receipts to 6th May 2024.

20. Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

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

The items in the Balance Sheet at 6 May 2024 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Pensions Liability

Estimation of the net liability to pay pensions depends 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. Firms of consulting actuaries are engaged to provide expert advice about the assumptions to be applied.

The actuaries have provided the following sensitivity information:

Impact on Defined Benefit Obligations	Change in Assumption	
	LGPS	Police Pension Schemes
Longevity (increase or decrease by 1 year)	£5.7m	£35m
Rate of increase in salaries (increase or decrease by 0.1%)	£0.5m	£2.4m
Rate of increase in pensions (increase or decrease by 0.1%)	£4.1m	£22m
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	£4.3m	£16.8m

Employee Benefits

An accrual has been made for employee benefits outstanding at the year end, comprising flexitime, annual leave and re-rostered rest days. The accrual is estimated based on returns from each department and data captured from the Resource Management system.

Approximately 41% of the accrual (£1,322k) relates to rest days in lieu (RDIL). An increase or decrease of 5% in the number of RDIL owed would change the accrual by £68k.

21. Accounting Standards that have been issued but have not yet been adopted

The Code requires the Chief Constable to disclose information relating to the impact of an accounting change that will be required by a new standard which has been issued but not yet adopted. One such change impacting on the Authority's financial statements in 2024/25 is **IFRS16 Leases**.

Mandatory implementation of IFRS16 Leases is required by all Local Authorities for the financial year 2024/25. The main impact of the standard is to remove (for lessees) the traditional distinction between finance and operating leases. Finance leases have effectively been accounted for as acquisitions (with the asset on the Balance Sheet, together with a liability to pay for the asset acquired). In contrast, operating leases have been treated as 'pay as you go' arrangements, with rentals expensed in the year they are paid. IFRS16 requires all substantial leases to be accounted for using the acquisition approach i.e. recognising the rights to the assets on the Balance Sheet. It is not currently anticipated that the impact of IFRS16 on the 2024/25 accounts, and future years, will be material.

NOTES to the ACCOUNTS for the CHIEF CONSTABLE of NORTH YORKSHIRE

Note No.	Note Description
1	Supplementary Information to the Movement in Reserves Statement
2	Expenditure and Funding Analysis
3	Supplementary Information to the Expenditure and Funding Analysis
4	Unusable Reserves
5	Intra Group Funding
6	Financing and Investment Income and Expenditure
7	Remuneration Report
8	Other amounts credited/ charged to Comprehensive Income and Expenditure Statement
9	Partnership Arrangements
10	Financial Instruments
11	Inventories
12	Cash and Cash Equivalents
13	Creditors
14	Retirement Benefits
15	Contingent Assets and Liabilities
16	Events after the Reporting Period
17	Related Party Transactions
18	Nature and Extent of Risks arising from Financial Instruments
19	Prior Period Adjustment

1. Supplementary information to the Movement in Reserves Statement

Analysis of adjustments between accounting basis and funding basis under regulations:

Current year	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources:						
Amounts by which Income and expenditure included in the Comprehensive Income and expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:						
* Pensions costs (transferred to or from the pensions Reserve)	58,689	-	-	58,689	(58,689)	-
* Holiday pay etc transferred to or from the Accumulated Absence Adjustment Reserve	557	-	-	557	(557)	-
Total Adjustments to revenue Resources	59,246	-	-	59,246	(59,246)	-
Prior Year	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources:						
Amounts by which Income and expenditure included in the Comprehensive Income and expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:						
* Pensions costs (transferred to or from the Pensions Reserve)	75,507	-	-	75,507		75,507
* Holiday pay etc transferred to or from the Accumulated Absence Adjustment Reserve	(102)	-	-	(102)		(102)
Total Adjustments to Revenue Resources	75,405	-	-	75,405	-	75,405

2. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants and precept) by CCNY in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It shows how this expenditure is allocated for decision making processes. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Current Year	Net Expenditure chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£'000	£'000	£'000
Other Income	(10,532)	40	(10,492)
Salary Costs	172,683	(9,602)	163,081
Other non Salary employee costs	5,047	-	5,047
Police Injury Pension Costs	4,638	-	4,638
Premises Costs	6,745	(11)	6,734
Supplies & Services	26,093	196	26,289
Transport Costs	3,817	-	3,817
Financial Costs	(104)	6,302	6,198
Project Costs	-	-	-
Cost of Police Services	208,387	(3,075)	205,312
Non Distributed Costs	-	(10)	(10)
Intragroup Funding	(208,387)	(6,398)	(214,786)
Net Costs of Services	-	(9,484)	(9,484)
Financing and Investment Income and Expenditure	-	68,729	68,729
Surplus or Deficit on the provision of services	-	59,246	59,246
Adjustments between accounting and funding arrangements under statute (Note 1)		59,246	

Details of the main adjustments between the funding and accounting basis are set out in Note 3

2. Expenditure and Funding Analysis

Prior Year	Net Expenditure chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£'000	£'000	£'000
Other Income	(9,381)	9	(9,372)
Salary Costs	144,141	23,870	168,011
Other non Salary employee costs	3,833		3,833
Police Injury Pension Costs	3,894	-	3,894
Premises Costs	5,511	(12)	5,499
Supplies & Services	22,449	(3)	22,446
Transport Costs	3,536	-	3,536
Financial Costs	172	1,157	1,329
Project Costs	-	4	4
Cost of Police Services	174,155	25,025	199,180
Non Distributed Costs	-	-	-
Intragroup Funding	(174,155)	(1,064)	(175,219)
Net Costs of Services	-	23,961	23,961
Financing and Investment Income and Expenditure	-	51,445	51,445
Surplus or Deficit on the provision of services	-	75,405	75,405
Adjustment between accounting and funding arrangements under statute		75,405	

Details of the main adjustments between the funding and accounting basis are set out in Note 3

3. Supplementary Information to the Expenditure and Funding Analysis

This note provides details of the main adjustments to Net Expenditure Chargeable to the General Fund to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

Net change for the Pensions Adjustments:

This column removes employer pension contributions made from the Net Cost of Services and replaces with current and past service costs. It also adds the net Interest on the defined benefit liability to Financing and Investment Income and Expenditure. Most of the entries in this column come from the Pension Reserve.

Other Differences:

This column includes the adjustments between the charges under statutory regulations to council taxpayers and the amounts recognised in the accounts under generally accepting accounting principles (see also Note 1). These differences are adjusted in the Unusable Reserves (see also Note 4). This column also includes the impact of the recharges from NYPFCC for Corporate Services and the use of Long Term Assets.

Current Year	Net change for the Pensions Adjustments	Other Differences	Total Adjustments
	£,000	£'000	£'000
Other Income	-	40	40
Salary Costs	(10,058)	456	(9,602)
Other non Salary employee costs	-	-	-
Police Injury Pension Costs	-	-	-
Premises Costs	-	(11)	(11)
Supplies & Services	-	196	196
Transport Costs	-	-	-
Financial Costs	-	6,302	6,302
Project Costs	-	-	-
Cost of Police Services	(10,058)	6,983	(3,075)
Non Distributed Costs	(10)	-	(10)
Intragroup Funding	-	(6,398)	(6,398)
Net Costs of Services	(10,068)	585	(9,484)
Financing and Investment Income and Expenditure	68,759	(30)	68,729
Surplus or Deficit on the provision of services	58,691	555	59,246

Other differences includes the impact of the following recharges.

From NYPFCC for Corporate Support Costs and the use of Long Term Assets (see also Note 5):

	2023/24
	£'000
Salary costs	-
Other non salary employee costs	-
Premises costs	-
Supplies & services	10
Transport costs	-
Project costs	165
Financial costs:	-
Transfers to provisions	439
Interest charge for finance leases	-
Use of Long Term Assets	5,863
	6,477

From CCNY for charges relating to Democratic Core Costs and Technical Income and Expenditure relating to Investment Properties:

	2023/24
	£'000
Salary costs	106
Other non salary employee costs	-
Premises	-
Supplies & Services	-
Transport	-
Income	-
	106

	2023/24
	£'000
From NYPFCC	6,477
From CCNY	(106)
	6,371

3. Supplementary Information to the Expenditure and Funding Analysis

Prior Year	Net change for the Pensions Adjustments	Other Differences	Total Adjustments
	£,000	£'000	£'000
Other Income	-	9	9
Salary Costs	24,065	(195)	23,870
Other non Salary employee costs	-	-	-
Police Injury Pension Costs	-	-	-
Premises Costs	-	(12)	(12)
Supplies & Services	-	(3)	(3)
Transport Costs	-	-	-
Financial Costs	-	1,157	1,157
Project Costs	-	4	4
Cost of Police Services	24,065	960	25,025
Non Distributed Costs		-	-
Intragroup Funding	-	(1,063)	(1,063)
Net Costs of Services	24,065	(103)	23,962
Financing and Investment Income and Expenditure	51,442	3	51,445
Surplus or Deficit on the provision of services	75,505	(100)	75,405

Other differences includes the impact of recharges from NYPFCC for Corporate Support Costs and the use of Long Term Assets (see also Note 5):

	2022/23
	£'000
Salary costs	-
Other non salary employee costs	-
Premises costs	-
Supplies & services	23
Transport costs	-
Project costs	4
Financial costs:	-
Transfers to provisions	637
Interest charge for finance leases	-
Use of Long Term Assets	520
	1,184

4. Unusable Reserves

	6 May 2024	31 March 2023
Note	£'000	£'000
Pensions Reserve	4a (1,367,290)	(1,359,542)
Accumulated Absences Account	4b (3,190)	(2,633)
Total Unusable Reserves	(1,370,480)	(1,362,175)

4 (a) 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. CCNY accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement (CIES) 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 CCNY makes employer's contributions to pension funds or eventually pays any pensions for which it is 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 CCNY 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.

	2023/24	2022/23
	£'000	£'000
Balance at 1 April	(1,359,542)	(1,949,032)
Remeasurements of pension assets and liabilities	50,947	664,997
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(88,803)	(101,982)
Employer's pension contributions and direct payments to pensioners payable in the year	30,108	26,475
Balance at 6 May	(1,367,290)	(1,359,542)

4 (b) Accumulated Absences Account

The Accumulated Absences 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 6 May. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	2023/24	2022/23
	£'000	£'000
Balance at 1 April	(2,633)	(2,735)
Settlement or cancellation of accrual made at the end of the preceding year	2,633	2,735
Amounts accrued at the end of the current year	(3,190)	(2,633)
Amounts by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(557)	102
Balance at 6 May	(3,190)	(2,633)

5. Intragroup Funding**2023/24****2022/23****£'000****£'000****Charges from NYPFCC to CCNY*****Charged to appropriate headings as part of Cost of Police Services***

Amounts equivalent to:

- amounts charged to Income & Expenditure by NYPFCC for Long Term Assets	5,863	520
- interest charge on finance leases	-	-
- charges to CCNY for Corporate Support Services	614	664
	<u>6,477</u>	<u>1,184</u>

Charges from CCNY to NYPFCC***Credited to the same headings as the costs they are recharging, as part of Cost of Police Services***

- amounts to be transferred to reserves	-	-
- Investment Property I&E	(30)	-
- Democratic Core costs	106	121

Credited to Net Cost of Services

- funding provided by NYPFCC	214,786	175,219
	<u>214,862</u>	<u>175,340</u>

6. Financing and Investment Income and Expenditure

	2023/24	2023/24	2023/24	2022/23	2022/23	2022/23
	Expenditure	Income	Total	Expenditure	Income	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Net Pensions interest cost (Note 14)	83,156	(14,397)	68,759	51,445	-	51,445
Investment Properties	10	(40)	(30)	-	-	-
	<u>83,166</u>	<u>(14,437)</u>	<u>68,729</u>	<u>51,445</u>	<u>-</u>	<u>51,445</u>

7. Remuneration Report

7 (a) Remuneration of Senior Officers

In setting the condition of service of Senior Officers the Chief Constable has regard to the following factors:

- the need to recruit, retain and motivate suitably qualified people to carry out their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- differences in terms and conditions of employment between the public and private sector and taking account of relative job security and value of benefits in kind;
- changes in national pay systems, including flexibility and the reward of success, and job weight in differentiating the remuneration of particular posts;
- the relevant legal obligations, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief and disability.

Total remuneration of senior police officers comprises elements that are set centrally for all police forces in the UK and other elements that are set locally. Pay elements that are set centrally include base salary, accommodation allowances and pension benefits. Centrally-set elements for serving police officers are determined in accordance with the Police Regulations 2003 (as amended).

For the purposes of this report the senior officers of CCNY comprised the following personnel during the year:

Chief Constable *
Deputy Chief Constable *
Assistant Chief Constables *
Chief Constable's Chief Finance Officer
Managing Director Enable
* *serving police officers.*

Where applicable disclosures are also provided for employees who have fulfilled the above roles on a temporary or acting basis.

The remuneration paid to the Senior Officers in 2023/24 (covering the period 1st April 2023 to 6th May 2024) is as follows, set alongside that paid in the period 1st April 2023 to 31st March 2024 for comparison purposes to the previous financial year:

	2023/24 to 6/5/24	2023/24 to 31/3/24	2022/23 to 31/3/23
	£'000	£'000	£'000
Salaries and short-term benefits	974	883	863
Post-employment benefits	196	169	167
Total	1,170	1,052	1,030

7 (b) Remuneration of Other Employees

Levels of pay for other employees are determined in accordance with the following:

- Police officer remuneration is determined in accordance with the Police Regulations 2003 (as amended);
- Remuneration of support staff is agreed by the Police Support Staff Council.

7 (c) Remuneration entitlement of Senior Officers

Salary

Basic salary for serving police officers is determined and approved by the Secretary of State for the Home Office each year. Salaries are set for all police officers of all ranks up to and including Chief Constables. Pay reviews are carried out each year and any increases are applicable from 1 September. Pay reviews for other senior officers are agreed with the Police Support Staff Council. Any increases are usually applicable from 1 September.

Other Allowances and Benefits

Other allowances and benefits include allowances and expenses paid, in addition to basic salary, that are chargeable to UK income tax. They comprise the following:

- (a) Accommodation allowance;
- (b) Car available for private use or car allowance paid as additional salary;

Accommodation allowances are a historic payment and were paid to police officers who resided in their own accommodation as opposed to Police Houses. They are not paid to any police officers joining the Force after April 1995, other than those that may be transferred from other Forces and who are already in receipt of accommodation allowances.

Allowances

For the purposes of the disclosures that follow, amounts disclosed as allowances are those that are included with salary.

The Commissioner and the Chief Constable are committed to ensuring that Chief Officer remuneration terms are clear and lawful and that public policy standards are met.

Benefits in Kind

Benefits in kind include the estimated value of any benefits that are provided to senior officers in forms other than cash. During the year benefits in kind included the cash equivalents of cars provided to senior officers, and relocation allowance in accordance with the Police Regulations, as disclosed to HM Revenue and Customs on form P11D. Benefits in kind do not include business use of private vehicles.

Pension Benefits

The Group makes pension contributions on behalf of Senior Officers and staff who are members of pension schemes. Employers contributions are at the same rates for all members of the schemes, irrespective of rank or salary, and are determined by the Actuaries. During 2023/24 the rates were 31% for the Police Pension Schemes (2022/23 31%) and 10.1% for the Local Government Pension Schemes (2022/23 11.1%).

The pension figure included in the disclosures below represents the value of the employer's pension contribution to the senior officer's pension pot, in whichever scheme they are a member.

Police Officers

Those members of the senior officer team who are also serving police officers are eligible to join the Police Pension Schemes. During 2023/24 senior officers who elected to join were members of the Police Pension Scheme 2015.

The Police Pension Scheme 2015 is a Career Average Revalued Earnings (CARE) scheme rather than a final salary scheme. For each year a member contributes they will earn a fraction of their Pensionable Earnings (1/55.3) for that year as earned pension and this will be revalued for each subsequent year until they retire. A member has the option to retire at the normal minimum pension age (55) however, if they were to do so, their pension would be actuarially reduced by reference to the normal pension age (60). At retirement members may opt to give up (commute) part of their pension entitlement in return for a lump sum cash payment.

Senior Officers' contributions are currently at the rate of between 12.44% and 13.78% of pensionable salary, dependent on which scheme the officer sits within. (See Police Pension Fund Account and Note 14 for further information on the Police Pension schemes).

Other Senior Officers

Those members of the Senior Officer team who are not serving police officers are eligible to participate in the Local Government Pension Scheme ("LGPS"). During 2022/23 all eligible Senior Officers were members of the scheme. The scheme is a defined benefit scheme, providing pension benefits linked to salary. The scheme provides for an accrual rate of 1/60th of salary for each year of service up to 31 March 2014. There after the accrual rate is 1/49th. There is no time limit to the amount of service that can be built up but benefits must be taken by age 75. At retirement members may opt to give up (commute) part of their pension entitlement in return for a lump sum cash payment.

Senior Officers' contributions are currently at the rate of between 5.5% and 12.5% pensionable salary, dependant on which scheme the officer sits within. (See Note 14 for further information on the Local Government Pension Scheme).

A summary of Senior Officer Remuneration for the year ended 6 May 2024 is presented below:

For the purposes of comparison to the previous financial year which covered a conventional 12 month period, the total remuneration paid to Senior Officers between 1 April 2023 to 31 March 2024, is set alongside:

	Salary	Benefits in Kind	Allowance	Value of Employers pension contribution	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
					to 6 May 2024	to 31 March 2024
Chief Constable:						
L Winward (from 17/08/18 to 31/03/24)	167	-	3	49	219	219
T Forber (from 01/04/24 to present)	18			6	24	-
E Foskett (from 22/12/23 to 31/03/24)	35	3	2	11	51	51
Deputy Chief Constable:						
M Hussain (from 03/01/22 to 31/03/24)	140	2	-		142	141
S Bissett (from 22/12/23 to present)	49	-		16	65	46
Assistant Chief Constable:						
C Clarke (from 22/12/23 to present)	41	-	-	13	54	39
W Fox (from 22/12/23 to present)	41	1	-	13	55	40
E Foskett (from 1/04/23 to 21/12/23)	105	9	5	33	152	134
S Bissett (from 01/04/23 to 21/12/23)	92	1	-	29	122	121
Managing Director of Enable:						
L Stitt (from 19/06/23 to present)	101	-	7	11	119	104
G McQueen (from 01/04/23 to 31/08/23)	51	-	3	5	59	60
Chief Constable's CFO* & S151 Officer:						
L Branford-White (from 01/11/23 to present)	49	-	4	5	58	47
M Clements (from 16/03/20 to 03/09/23)	43	-	3	4	50	51
Total	932	16	27	195	1,170	1,053

* CFO - Chief Finance Officer

There were no termination benefits paid to Senior Officers in 2023/24 or 2022/23.

A summary of Senior Officer Remuneration for the year ended 31 March 2023 is presented below:

	Salary	Benefits in kind	Allowance	Value of employers pension contribution	Total
	£'000	£'000	£'000	£'000	£'000
Chief Constable:					
L Winward	151	-	3	47	201
Deputy Chief Constable:					
M Hussain	125	1	-	13	139
Assistant Chief Constable:					
M Walker (from 05/09/22 to 31/03/23)	62	1		19	82
L Butterfield	45	-	-	14	59
M Pannone (from 01/04/22 to 30/04/22)	14	-	-	3	17
E Foscett	107	13	-	33	153
S Bissett (from 27/02/23 to present)	11	-	-	3	14
Managing Director of Enable					
R Ward	123	8	-	14	145
R Brown (from 30/06/23 to 31/03/23)	72	-	-	10	82
Chief Constable's CFO* & S151 Officer:					
M Clements	98	8	-	11	117
Total	808	31	3	167	1,009

* CFO - Chief Finance Officer

7 (d) Officers and Staff

As at 6 May 2024 a breakdown of the number of persons of each gender was as follows:

	2023/24		2022/23	
	Male	Female	Male	Female
Senior Officers	3	3	7	2
Other Employees	1,517	1,501	1,573	1,498
	1,520	1,504	1,580	1,500

The number of individuals, excluding Senior Officers, who have received total remuneration greater than or equal to £50,000 per annum (in bands of £5,000) are listed below. The figures below represent the amounts paid in each year, taking account of starting and leaving dates, where retiring staff have been replaced during the year, and include officers seconded to other Forces. Total remuneration comprises gross salaries and allowances, taxable benefits as declared to HM Revenue and Customs on form P11D, and any bonus or overtime amounts in relation to the year in question (paid or payable). Total remuneration excludes any termination benefits payable and does not include employer's pension or national insurance contributions.

For the purposes of comparison to the previous financial year which covered a conventional 12 month period, the number of officers between 1 April 2023 and 31 March 2024 is also included in the table below. The table includes 466 police officers as at 6 May 2024 (2022/23 333) at or below the rank of Chief Superintendent.

Total remuneration	2023/24	2023/24	2022/23
	1 Apr 23 - 6 May 24	1 Apr 23 - 31 Mar 24	
£50,000 to £54,999	429	269	161
£55,000 to £59,999	251	105	114
£60,000 to £64,999	115	87	51
£65,000 to £69,999	85	33	10
£70,000 to £74,999	43	13	5
£75,000 to £79,999	17	8	5
£80,000 to £84,999	7	5	3
£85,000 to £89,999	5	2	6
£90,000 to £94,999	7	5	1
£95,000 to £99,999	-	3	-
£100,000 to £104,999	3	1	-
£105,000 to £110,000	3	-	-
£110,000 to £115,000	1	-	-
Total	966	531	356

7 (e) Termination Benefits

CCNY terminated 1 employees in 2023/24, incurring liabilities of £2k (2022/23 £0k) payable to Senior Officers and staff in the form of compensation for loss of office (through a voluntary redundancy scheme) and enhanced pension benefits (payable directly to the appropriate pension scheme).

The number of exit packages, with total cost per band and total cost of the redundancies, are set out in the table below:

	Number of Compulsory Redundancies		Number of Other departures		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	£'000	£'000
£0 - £20,000	-	-	1	-	1	-	2	-
£20,001 - £40,000	-	-	-	-	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
Total	-	-	1	-	1	-	2	-

8. Other amounts credited/charged to the Comprehensive Income and Expenditure Statement

8 (a) Inventories Expensed during the Period	2023/24	2022/23
	£'000	£'000
Uniforms/other items	1,108	921
Total inventory charges recognised in the Comprehensive Income & Expenditure Statement	1,108	921

8 (b) Sponsorship

The Chief Constable has the power to receive gifts, loans of property and sponsorship on behalf of the Police Fire and Crime Commissioner, up to a limit of 1% of the 2023/24 annual revenue budget. During the year £17k (2022/23 £11k) was utilised by CCNY from the sponsorship and donation accounts in reflection of expenditure primarily on focused safety and crime reduction initiatives. Specific contributions are made under agreements and, if not utilised in the year of receipt, are carried forward. £2k (2022/23 £6k) has been carried forward into 2024/25.

8 (c) Audit Fees

CCNY incurred the following fees relating to external audit and inspection:

	2023/24	2022/23
	£'000	£'000
External Audit Fees	51	15
Total	51	15

9. Partnership Arrangements**9 (a) Local Criminal Justice Board (LCJB)**

CCNY provides financial management on behalf of the LCJB, which is a combined Board made up of Criminal Justice Agencies.

Expenditure of £46k (2022/23 £40k) has been incurred in 2023/24 and included in these accounts.

9 (b) Regional Collaboration

Regional Collaboration brings opportunities to the participating Forces across many policing activities whilst retaining local Police Forces, local identity and local accountability.

Yorkshire and the Humber (YATH)

CCNY continues to engage in collaborative working throughout 2023/24 with the other YATH forces (South Yorkshire, West Yorkshire and Humberside). Collaborative activity includes specialist Crime Services, Forensic Services, Underwater Searches and Procurement Services.

The Regional Collaboration Board for the YATH collaboration comprises the Commissioners plus officers from each of the participating forces. It was formed to support Section 23 of the Police Act 1996/Police and Justice Act 2006.

The YATH Regional Collaboration is funded from contributions made by the four participating forces. Where there is deemed to be equal benefit the contribution is based on equal shares. Where benefit is not deemed to be equal, the level of contribution from each Force is dependent upon an assessment of the benefit to be derived from each specific project or initiative, primarily based upon net revenue expenditure proportions.

The YATH programme is a lead force model and each lead force is responsible for the financial administration of the programme they lead. The lead force employs police staff on a permanent, substantive basis and Police Officers are seconded to the lead force. The Police and Crime Commissioners within the Yorkshire and Humberside Region have agreed to indemnify the lead force to ensure that any costs are shared between them in the event of any employment tribunal or civil court claims related to regional employment.

The total net expenditure of CCNY during 2023/24 in relation to the Yorkshire and the Humber regional collaboration work was £7.795m (2022/23 £6.488m Restated).

Evolve

CCNY continued to engage in collaborative working throughout 2023/24 with Cleveland and Durham forces for Specialist Operational Services (Evolve). This includes Cold Case Investigation Team and Collaborative Legal Services.

The Joint Governance Board comprises the three Commissioners plus officers from each of the participating forces. The collaboration is funded from contributions made by the three participating forces. The Evolve programme is a lead force arrangement. The lead force employs some of the staff on a permanent substantive basis, officers and some staff are seconded to the lead force. The total net expenditure of CCNY during 2023/24 in relation to Evolve collaboration was £0.242m (2022/23 £0.183m).

Regional Collaboration costs have had the following impact on the Cost of Police Services shown on the face of the CIES.

Current Year	Expenditure	Income	Net Impact
	£'000	£'000	£'000
Employee Costs Salaries	1,381	-	1,381
Other non Salary employee costs	1	-	1
Supplies & Services	7,864	-	7,864
Transport	31	-	31
Non Grant Income	-	(1,241)	(1,241)
Total	9,277	(1,241)	8,036

Prior Year	Expenditure	Income	Net Impact
	£'000	£'000	£'000
Employee Costs Salaries	1,007	-	1,007
Other non Salary employee costs	3	-	3
Supplies & Services	6,656	-	6,656
Transport	88	-	88
Non grant Income	-	(1,099)	(1,099)
Total	7,754	(1,099)	6,655

10. Financial Instruments

	Long-Term		Current	
	6 May 2024	31 March 2023	6 May 2024	31 March 2023 Restated
	£'000	£'000	£'000	£'000
Financial Assets				
Measured at amortised cost	-	-	16	22
Total Debtors	-	-	16	22
Financial Liabilities				
Measured at amortised cost	-	-	4,313	3,423
Financial Liabilities	-	-	4,313	3,423

There have not been any reclassifications of Financial Assets or Financial Liabilities as a result of the implementation of IFRS 9.

Fair Value of Assets and Liabilities Carried at Amortised Cost

Financial liabilities and financial assets are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows, that take place over the remaining life of the instruments, using the following assumptions:

- For Public Works Loan Board (PWLb) and other loans payable, the discount rate used is the PWLB rate for new borrowing;
- No early repayment or impairment is recognised;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable, the fair value is taken to be the carrying amount or the billed amount;
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair value of each class of financial assets and liabilities which are carried in the balance sheet at amortised cost is disclosed below.

Financial Liabilities - carried at amortised cost**Current and Long-Term**

	6 May 2024		31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	£'000	£'000	£'000	£'000
Other Creditors	4,313	4,313	3,423	3,423
Total Financial Liabilities	4,313	4,313	3,423	3,423
Current	4,313	4,313	3,423	3,423
Total Financial Liabilities	4,313	4,313	3,423	3,423

Financial Assets - carried at amortised cost**Current and Long-Term**

	6 May 2024		31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	£'000	£'000	£'000	£'000
Cash and cash equivalents	16	16	22	22
Debtors	-	-	-	-
Total Financial Assets	16	16	22	22

Income, Expense, Gains and Losses

CCNY did not have any income, expense, gains or losses in relation to financial instruments (2022/23 £nil).

11. Inventories

	6 May 2024	31 March 2023
	£'000	£'000
Garage Stock	210	184
Uniforms/Other Items	897	584
Donated Inventories	-	-
Total	1,107	768

All inventories comprise supplies used in the provision of services.

12. Cash and Cash Equivalents

	6 May 2024	31 March 2023
	£'000	£'000
Cash at bank and in hand	16	22

13. Creditors

Short-Term	6 May 2024	31 March 2023 Restated
Amounts due:	£'000	£'000
Intragroup creditors	4,313	3,423
Total	4,313	3,423

14. Retirement Benefits**Participation in Pension Schemes**

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

CCNY participates in four pension schemes:

- A Local Government Pension Scheme (LGPS) for police staff, administered by North Yorkshire County Council (NYCC). This is a funded defined benefit final, meaning that CCNY and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets. For service up to 31 March 2014 this was a final salary scheme. A career average scheme (CARE) came into effect for service from April 2014. For service after that date benefits are accrued based on career average salary.
 - Arrangements for the award of discretionary post-retirement benefits upon early retirement - this is an unfunded defined benefit arrangement under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.
 - The scheme is operated under the regulatory framework for the LGPS. Policy is determined in accordance with the Pensions Fund Regulations. The investment managers of the fund are appointed by the Pensions Board with the support of the Corporate Director Strategic Resources of NYCC and the fund's external investment advisors.
 - The principal risks to CCNY of the schemes are the longevity assumptions, statutory changes to the schemes, structural changes to the schemes (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the schemes. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policies note.

- Three Police Pension Schemes for police officers. These are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet the pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. Two schemes (1987 & 2006) are final salary schemes and the third scheme (2015) is Career Average Revalued Earnings Scheme. CCNY's participation in the Police Pension Schemes is administered by XPS Group Ltd.

Under the Police Pension Fund Regulations 2007, if the amounts receivable by the pension funds for the year is less than the amounts payable, CCNY must annually transfer to the pension funds an amount required to meet the deficit. Subject to parliamentary scrutiny and approval, up to 100% of this cost is met by a central government pension top-up grant which is paid to NYPFCC and transferred to CCNY. If, however, the pension funds are in surplus for the year, the surplus is required to be transferred from the pension funds to CCNY which must then repay the amount to central government, via NYPFCC.

Scheme Governance

The Public Service Pensions Act 2013 introduced a formal framework for the governance and administration of public service pension schemes, including the introduction of pension boards. The role of a public service pension board is to assist the Scheme Manager to secure compliance with scheme regulations and with legislation. NYCC as Scheme Manager and administrator for the LGPS in North Yorkshire, has established a Pensions Board for all the schemes comprising the LGPS in North Yorkshire. Membership is drawn from scheme employers and members.

XPS Group Ltd has established a collaborative Police Pension Board for the Police Pension Schemes that they administer, including the Police Pension Schemes for which CCNY is the Scheme Manager. Membership is drawn from scheme employers and members.

Discretionary Post-Retirement Benefits

Discretionary post-retirement benefits on early retirement are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no plan assets built up to meet these pension liabilities.

Transactions Relating to Retirement Benefits

The cost of retirement benefits is recognised in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge required to be made against Council Tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the General Fund Balance.

The table below sets out the transactions that have been in the CIES and MIRS during the year. The figures for the Police Pension Scheme 1987 include the Injury Awards which are funded directly by CCNY.

Comprehensive Income and Expenditure Statement	LGPS	Police Pension Scheme 1987	Police Pension Scheme 2006	Police Pension Scheme 2015	Total 2023/24	Total 2022/23 Restated
	£'000	£'000	£'000	£'000	£'000	£'000
<i>Net Cost of Services</i>						
Current Service Cost	8,089	820	90	10,780	19,779	50,313
Past Service (Cost)/Gain	4	(10)			(6)	-
Administration Cost	271	-	-	-	271	227
	8,364	810	90	10,780	20,044	50,540
<i>Financing and Investment Income and Expenditure:</i>						
Interest Cost	12,136	62,390	1,990	6,640	83,156	59,705
Expected return on assets	(14,397)	-	-	-	(14,397)	(8,263)
Total Post-employment Benefits charged to the Surplus or Deficit on Provision of Services	6,103	63,200	2,080	17,420	88,803	101,982
<i>Remeasurement of the net defined liability comprising:</i>						
- Return on plan assets (excluding amount included in net interest expense)	(11,407)	-	-	-	(11,407)	38,435
- Actuarial gains/losses arising from changes in financial and demographic assumptions	(22,034)	(122,592)	(3,574)	13,759	(134,441)	(864,054)
- Other	3,579	13,650	970	2,130	20,329	133,192
- Changes in effect of Asset Ceiling	74,572	-	-	-	74,572	-
(Surplus) deficits on remeasurements of scheme assets and liabilities	44,710	(108,942)	(2,604)	15,889	(50,947)	(692,427)
Total Post-employment Benefits charged to the CIES	50,813	(45,742)	(524)	33,309	37,856	(590,445)
Movement in Reserves Statement						
Reversal of net charges made to surplus or deficit on provision of services for retirement benefits in accordance with IAS19	6,103	63,200	2,080	17,420	88,803	101,982
<i>Actual amount charged against the General Fund Balance for the year</i>						
Employer's contribution payable to the scheme	(4,775)	(508)	(86)	(20,979)	(26,348)	(23,455)
Retirement benefits payable to pensioners	-	(3,760)	-	-	(3,760)	(3,020)
	1,328	58,932	1,994	(3,559)	58,695	75,505

Assets and Liabilities in Relation to Retirement Benefits*Reconciliation of present value of scheme liabilities*

					2023/24	2022/23
	Funded Liabilities	Unfunded Liabilities			Total	Total
<i>(PPS - Police Pension Scheme)</i>	LGPS	PPS 1987	PPS 2006	PPS 2015		<i>Restated</i>
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April	(229,834)	(1,246,550)	(38,770)	(120,260)	(1,635,414)	(2,254,854)
Current service cost	(8,089)	(820)	(90)	(10,780)	(19,779)	(50,313)
Interest cost	(12,136)	(62,390)	(1,990)	(6,640)	(83,156)	(59,705)
Contributions by scheme participants	(2,930)	-	-	(9,000)	(11,930)	(10,666)
<i>Remeasurement gains and (losses):</i>						
- Actuarial gains/losses arising from changes in demographic assumptions	3,508				3,508	26,114
- Actuarial gains/losses arising from changes in financial assumptions	18,526	64,940	3,260	14,970	101,696	785,174
- Other	(3,579)	(13,650)	(970)	(2,130)	(20,329)	(133,222)
- Changes in effect of Asset Ceiling	(74,572)	-	-	-	(74,572)	-
Benefits paid	7196	61,920	400	1,250	70,766	62,058
Curtailment cost	-	-	-	-	-	-
Past service costs	(4)	10			6	-
Balance at 6 May	(301,914)	(1,196,540)	(38,160)	(132,590)	(1,669,204)	(1,635,414)

Reconciliation of fair value of the scheme assets

					2023/24	2022/23
	LGPS	PPS 1987	PPS 2006	PPS 2015	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April	275,872				275,872	305,822
Restatement of Opening Balances		-	-	-	-	-
Interest on plan assets	14,126	-	-	-	14,126	8,036
<i>Remeasurement gains and (losses):</i>						
- The return on plan assets, excluding the amount included in the net interest expense	11,407	-	-	-	11,407	(38,435)
- Actuarial gains/losses arising from changes in demographic assumptions	-	-	-	-	-	-
- Actuarial gains/losses arising from changes in financial assumptions	-	57,652	314	(28,729)	29,237	25,366
Employer contributions	4,775	4,268	86	20,979	30,108	26,475
Contributions by scheme participants	2,930	-	-	9,000	11,930	10,666
Benefits paid	(7,196)	(61,920)	(400)	(1,250)	(70,766)	(62,058)
Balance at 6 May	301,914	-	-	-	301,914	275,872

Scheme History

	2023/24	2022/23	2021/22	2020/21	2019/20
	£'000	£'000	£'000	£'000	£'000
Present value of liabilities:					
LGPS	(301,914)	(229,834)	(331,674)	(338,742)	(258,823)
Police Pension Scheme 1987	(1,196,540)	(1,246,550)	(1,637,040)	(1,662,510)	(1,512,290)
Police Pension Scheme 2006	(38,160)	(38,770)	(72,440)	(74,420)	(46,280)
Police Pension Scheme 2015	(132,590)	(120,260)	(213,700)	(167,310)	(107,700)
Total liabilities	(1,669,204)	(1,635,414)	(2,254,854)	(2,242,982)	(1,925,093)
Fair value of assets (LGPS):	301,914	275,872	305,822	299,377	236,060
Surplus/(deficit) in the scheme:					
LGPS	-	46,038	(25,852)	(39,365)	(22,763)
Police Pension Scheme 1987	(1,196,540)	(1,246,550)	(1,637,040)	(1,662,510)	(1,512,290)
Police Pension Scheme 2006	(38,160)	(38,770)	(72,440)	(74,420)	(46,280)
Police Pension Scheme 2015	(132,590)	(120,260)	(213,700)	(167,310)	(107,700)
Total	(1,367,290)	(1,359,542)	(1,949,032)	(1,943,605)	(1,689,033)

Asset Ceiling Adjustment

Following the LGPS valuation by the Actuary as at 6 May 2024, it was determined that the fair value of the LGPS Scheme of the CCNY outweighed the present value of the plan obligations, resulting in a plan net asset of £74.9m. ISA19 requires, that where a pension asset exists, it is measured at the lower of:

- the surplus in the defined benefit plan;
- the asset ceiling

The asset ceiling is the present value of the maximum economic benefit available to the Authority in the form of refunds or reduced future employer contributions. The Actuary's calculation of the asset ceiling in accordance with IFRIC14 for 2023/24 is £0. Hence, the net asset of the scheme is reduced to the lower of £74.9m and £0.

Reconciliation from the opening to closing effect of the asset ceiling in the period:	2023/24	2022/23
	£'000	£'000
Effect of the asset ceiling at 31st March 2023	-	-
Changes to the effect of the asset ceiling	74,572	-
Interest on the effect of the asset ceiling	338	-
Effect of the asset ceiling at 6 May 2024	74,910	-
Reconciliation of the LGPS funded status to the Balance Sheet	2023/24	2022/23
	£'000	£'000
Fair Value of Assets	301,914	275,872
Present Value of funded defined benefit obligation	227,004	229,834
Funded Status	74,910	46,038
Unrecognised asset (application of asset ceiling)	(74,910)	-
Asset/Liability recognised in the Balance Sheet	-	46,038
Asset Ceiling	-	596,120

The liabilities show the underlying commitments that CCNY has in the long run to pay retirement benefits. The total liability has a substantial impact on the net worth of the CCNY as recorded in the Balance Sheet, resulting in a negative overall balance. However, statutory arrangements for funding the deficit mean that the financial position of CCNY remains healthy. Finance is only required to be raised to cover Police Pensions when the Pensions are actually paid. Funding arrangements for the Police Pension Fund are detailed in the Pension Fund Accounts.

The deficit on the LGPS will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

The projected employer contribution rates for 2024/25 and weighted average duration of the defined benefit obligation for scheme members as provided by the actuary are as follows:

Scheme	Percentage of Pensionable Pay	Weighted Average Duration
Local Government Pension Scheme (LGPS)	9.5 %	19.4 years
Police Pension Scheme 1987	0%	14 years
Police Pension Scheme 2006	0%	25 years
Police Pension Scheme 2015	35.3%	25 years

These are the projected rates that would be required to fully cover the pension costs arising in the year and do not represent the actual cost or contributions to be made.

Members of the Police Pension Schemes are able to seek a refund of contributions if they leave the scheme with less than two years service. With effect from 1 April 2014 members of the LGPS automatically receive a refund of contributions if they leave with less than two years service. Up to that date members could opt for a refund if they left with less than three months service.

CCNY expects to make employer contributions of £4.2m to the LGPS in the year to 6 May 2024. Employer contributions to the Police Pension Schemes in the same period are expected to be £23.4m.

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 Pension Schemes' liabilities have been assessed by the Government Actuary's Department (GAD) and the LGPS liabilities have been assessed by AON Hewitt Limited, an independent firm of actuaries, estimates for the LGPS being based on the latest full valuation of the scheme as at 31 March 2022.

The principal assumptions used by the actuaries have been:-

	Local Government Pension Scheme		Police Pension Schemes	
	2023/24	2022/23	2023/24	2022/23
<i>Mortality assumptions:</i>				
Longevity at 65 for current pensioners:				
Men	22.1 yrs	22.6 yrs	21.9 yrs	21.9 yrs
Women	24.6 yrs	25.0 yrs	23.6 yrs	23.5 yrs
Longevity at 65 for future pensioners				
Men	23.0 yrs	23.5 yrs	23.6 yrs	23.5 yrs
Women	25.6 yrs	26.0 yrs	25.1 yrs	25 yrs
Rate of inflation	2.70%	2.70%	2.65%	2.60%
Rate of increase in salaries	3.95%	3.95%	3.90%	3.85%
Rate of increase in pensions	2.70%	2.70%	2.65%	2.60%
Rate for discounting scheme liabilities	5.10%	4.70%	5.10%	4.65%
Rate of CARE revaluation	2.70%	n/a	3.90%	3.85%

The Police Pension Schemes have no assets to cover their liabilities. The LGPS assets consist of the following categories:

	Fair Value of Scheme Assets	
	2023/24	2022/23
	%	%
Cash and Cash Equivalents	4	1
Government Bonds	12	11
Other Bonds	7	7
Property - UK	6	6
Equities	48	52
Other	23	23
Total Assets	100	100

84.4% of assets in the LGPS have a quoted market price. The remaining 11.6% are unquoted.

Impact on the Cash Flows

The objectives of the scheme are to keep employers' contributions at as a constant a rate as possible. NYCC has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the long term. Funding levels are monitored on a quarterly basis. The last triennial valuation was carried out 31 March 2022.

15. Contingent Assets and Liabilities

Civil and Employment Claims

CCNY has not made provision in these accounts for the potential outcome of legal proceedings pending conclusion in relation to Civil and Employment Claims where it is not considered probable that a payment or a transfer of economic benefits will be required to settle the obligations.

Regional Collaboration

CCNY has agreed to indemnify other Regional Police and Crime Commissioners 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.

The McCloud/Sargeant Judgement

In December 2018 the Government lost a Court of Appeal case (the McCloud/Sargeant Judgement) which found that the transitional protection arrangements put in place when the Firefighters' and Judges' pension schemes were reformed amounted to illegal age discrimination. The Government acknowledged that the difference in treatment will need to be remedied across all public service pension schemes.

The McCloud remedy period ran from 1st April 2015 to 31st March 2022. Eligible members were able to elect which scheme they wish to receive benefits from for this period. Due to the differing benefit structures, the Actuary expects the majority of eligible officers to elect to take legacy scheme (1987 Scheme or 2006 Scheme) benefits for the remedy period.

An allowance for McCloud remedy was first included in the 2018/19 disclosures as a past service cost for service from 2015 to 2019. For subsequent years to 2021/22, an allowance was made in the 2015 service costs for the annual accrual of additional remedy service. Now that the remedy window is closed, the Actuary has moved all McCloud related liabilities for eligible members for the period 2019 to 2022 to the associated legacy schemes. This means that all McCloud liabilities for eligible members are held within the scheme that the Actuary expects them to be paid from. Details of the associated past service costs and gains are set out in Note 14 to the Accounts.

Legal advice is awaited as to whether any further costs to be borne by the Authority will arise in relation to application of the remedy. Claimants have lodged claims under two active sets of litigation, Aarons and Penningtons. Until further guidance is provided, no estimation of the potential impact can be made.

16. Events after the Reporting Period

CCNY has considered events that have occurred since the balance sheet date, up to the date that the accounts have been authorised for issue. No events have been identified which could materially impact on the figures in these financial statements, nor which would require disclosure to maintain the fair presentation of the financial statements.

17. Related Party Transactions

CCNY is required to disclose material transactions and balances with related parties - bodies or individuals that have the potential to control or exercise significant influence over CCNY or be controlled or influenced by CCNY. Disclosure of these transactions allows readers to assess the extent to which CCNY might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with CCNY.

CCNY has sound arrangements for internal control and corporate governance (including a scheme of delegations and purchase, contract and procurement regulations) which minimise the potential for a single officer to constrain the actions of CCNY, and which seek to ensure that CCNY obtains value for money in all transactions.

Central Government

Central Government has effective control over the general operations of CCNY. It is responsible for providing the statutory framework within which CCNY operates, provides a substantial part of the funding in the form of grants (via NYFPCC) and prescribes the terms of many of the transactions CCNY has with other parties.

Central Government has a role, together with the Police and Crime Commissioner and the Chief Constable, in the tripartite system of police governance.

Police Fire and Crime Commissioner for North Yorkshire

NYFPCC has control over the general operations of CCNY, although not over the details of operational policing. NYFPCC provides all the CCNY funding. Remuneration of the Police and Crime Commissioner is disclosed in the Group Accounts - Note 13(d).

On 15th November 2018 NYFPCC became the Police Fire and Crime Commissioner for North Yorkshire (NYFPCC) when she took statutory responsibility for North Yorkshire Fire and Rescue Service, as the Fire and Rescue Authority (NYFPCC FRA). At the same time the NYFPCC CFO also became the CFO of NYFPCC FRA. NYFPCC FRA is a separate corporation sole, independent of NYFPCC.

Other Local Authorities (including Other Police and Crime Commissioners)

Local Government provides a proportion of the funding for the Group. Transactions with other Forces in respect of Regional Collaboration are set out in Note 9 (b). The amounts owing to Other Local Authorities at the balance sheet date are included in Creditors (Note 13).

Key Management

Key Management of the Group are also classed as related parties. Key Management are considered to be Senior Officers (as defined in note 7) and other persons having the authority and responsibility for planning, directing and controlling the activities of CCNY, including the oversight of these activities.

Remuneration of Key Management is disclosed in Note 7. Remuneration of Senior Officers of NYPFCC is disclosed in the Group Accounts - Note 13(d).

Senior police officers are members of the National Police Chiefs Council (NPCC) and engage with NPCC on force business.

During 2023/24 CCNY incurred subscription and conference costs from NPCC of £28k (2022/23 £15k).

CCNY received income to a value of £770k (2022/23 £496k) and purchased and received services to a value of £247k (2022/23 £169k) from organisations in which members or senior officers had positions on the governing body. In all instances, transactions were made with proper consideration of declaration of interest. The relevant senior officers did not take part in any discussion or decision in relation to the transactions.

Pension Schemes

Transactions with Pension Schemes are set out in Note 14.

18. Nature and Extent of Risks arising from Financial Instruments

CCNY manages financial risks in conjunction with NYPFCC, as part of the NYPFCC Group:

Key Risks

The Group's activities expose it to a variety of financial risks. The key risks are:

- **Credit risk** the possibility that other parties might fail to pay amounts due;
- **Liquidity risk** the possibility that CCNY might not have funds available to meet its commitments to make payments;
- **Re-financing and Maturity risk** the possibility that CCNY might be requiring to renew a financial instrument on maturity at disadvantageous interest rates or terms;
- **Market risk** the possibility that financial loss might arise for CCNY as a result of changes in such measures as interest rates movements.

Overall procedures for managing risk

The Group's overall risk management procedures focus on the unpredictability of financial markets and are structured to implement suitable controls to minimise these risks. The procedures for risk management are set out through a legal framework based on the Local Government Act 2003 and associated regulations. These require the Group to comply with the CIPFA Prudential Code, the CIPFA Code of Practice on Treasury Management in the Public Services and investment guidance issued through the Act. Overall, these procedures require the Group to manage risk in the following ways:

- by formally adopting the requirements of the CIPFA Treasury Management Code of Practice;
- by the adoption of a Treasury Policy Statement and treasury management clauses within its financial regulations/standing orders/constitution;
- by approving annually in advance prudential and treasury indicators for the following three years limiting:

- The Group's overall borrowing;
- Its maximum and minimum exposures to fixed and variable rates;
- Its maximum and minimum exposures to the maturity structure of its debt;
- Its maximum annual exposures to investments maturing beyond a year.

- by approving an investment strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with Government guidance.

These are required to be approved before the start of the year to which they relate. These items are reported with the annual Treasury Management Strategy which outlines the detailed approach to managing risk in relation to the Group's financial instrument exposure. Actual performance is also reported after each year, as is a mid-year update.

The annual Treasury Management Strategy, which incorporates the prudential indicators, was approved by the Police and Crime Commissioner for 2023/24 in February 2023. The key issues within the Strategy were:

- The Authorised Limit for 2023/24 was set at £12.7m. This was the maximum limit of external borrowings or other long-term liabilities;
- The Operational Boundary was expected to be £9.7m. This was the expected level of debt and other long-term liabilities during the year;
- The maximum amounts of fixed and variable interest rate exposure were set at 100% and 50% based on the net debt.

These policies are implemented by Financial Services on behalf of the Group. The Group maintains written principles for overall risk management, as well as written policies (Treasury Management Practices - TMPs) covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash. These TMPs are a requirement of the Code of Practice and are reviewed periodically.

Credit Risk

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

This risk is minimised through the Annual Investment Strategy, which is based solely upon the use of "specified investments", with all investments being sterling denominated with maturities up to a maximum of 364 days and meeting a minimum "high" credit rating. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above.

The full Investment Strategy for 2023/24 was approved by the Commissioner in February 2023. It forms part of the Treasury Management Strategy.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings.

The Group's maximum exposure to credit risk in relation to its investments in banks and building societies of £21m (2022/23 21m) cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Group's deposits, but there was no evidence at the 6 May 2024 that this was likely to crystallise.

The following analysis summarises CCNY's maximum exposure to credit risk on other financial assets, based on experience of default, adjusted to reflect current market conditions.

	Total		Estimated maximum exposure to default	
	6 May 2024	31 March 2023	6 May 2024	31 March 2023
	£'000	£'000	£'000	£'000
Cash and cash equivalents	16	22	-	-
Other debtors and amounts owed by related parties	-	-	-	-
Total	16	22	-	-

No breaches of the counterparty criteria occurred during the reporting period and the Group does not expect any losses from non-performance by any counterparties in relation to deposits and bonds.

Collateral - During the reporting period the Group held no collateral as security.

Liquidity Risk

The Group manages its liquidity position through the risk management procedures above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Code of Practice. This seeks to ensure that cash is available when needed.

The Group has ready access to borrowings from the money markets to cover any day-to-day cash flow needs, and the PWLB and money markets for access to longer-term funds. The Group is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is therefore no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

All sums owing are due to be paid in less than one year.

Refinancing and Maturity risk

The Group maintains a significant investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer-term risk to the Group relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer-term financial liabilities and longer-term financial assets.

The approved treasury indicator limits for the maturity structure of debt and the limits placed on investments placed for greater than one year in duration are the key parameters used to address this risk. The Group approved treasury and investment strategies address the main risks and Financial Services addresses the operational risks within the approved parameters. This includes:

- monitoring the maturity profile of existing and proposed financial liabilities; and
- monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Group's day-to-day cash flow needs, and the spread of longer-term investments provide stability of maturities and returns in relation to the longer-term cash flow needs.

The maturity profile of financial liabilities is set out in Note 25 of the Group Accounts.

Market Risk

Interest Rate Risk

The Group is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Group, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates - the interest expense charged to the CIES will rise (however the Group does not currently have any variable rate borrowings);
- Borrowings at fixed rates - the fair value of the borrowing will fall (no impact on revenue balances);
- Investments at variable rates - the interest income credited to the CIES will rise;
- Investments at fixed rates - the fair value of the assets will fall (no impact on revenue balances).

Borrowings are not carried at fair value on the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The Group has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Group's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure. Financial Services monitors market and forecast interest rates within the year to adjust exposures appropriately. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long-term returns, similarly the drawing of longer-term fixed rates borrowing would be postponed.

Price Risk

The Group does not generally invest in equity shares or marketable bonds.

Foreign Exchange Risk

The Group has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to gains or losses arising from movements in exchange rates.

19. Prior Period Adjustment

Restatement of 2022/23 Chief Constable's financial statements

The Force has discovered that the debtors and creditors for the financial year 2022/23 have been processed in the Chief Constable's Accounts where they should have been represented in the Police and Crime Commissioner's Accounts. This meant that debtors and creditors were overstated where the Force has now recognised this error and has rectified the position in the 2023/24 financial year.

The prior period error in 2022/23 has removed the debtors and creditors from the Chief Constable's Balance Sheet which also impacted the cashflow statement.

The following tables demonstrates the effects of the removal of the debtors and creditors from the Chief Constable's accounts and set out the restatement adjustments made to the financial statements. In addition, the relevant Notes have been restated - Debtors, Creditors, Provisions and Financial Instruments - to reflect the changes as shown in the financial statements.

The tables evidence the specific adjusted line items in the Balance Sheet and cashflow statement for the financial year 2022/23.

Effect on Balance Sheet 2022/23

The restated (for the relevant line items) prior period Balance Sheet is provided with the current year information on page 13 of the financial statements.

	As previously stated 2022/2023	As restated 2022/23	Adjustments made
	£'000	£'000	£'000
Short-term Debtors	23,411	-	23,411
Total Current Assets	24,201	790	23,411
Short-term Creditors	(24,390)	(3,423)	(20,967)
Short-term Provisions	(1,393)	-	(1,393)
Total Current Liabilities	(25,783)	(3,423)	(22,360)

Effect on the Cashflow Statement 2022/23

The restated (for the relevant line items) prior period cashflow Statement is provided with the current year information on page 14 of the financial statements.

	As previously stated 2022/23	As restated 2022/23	Adjustments made
	£'000	£'000	£'000
Adjustments to net deficit/(surplus) on the provision of services for non-cash movements:			
(Increase)/decrease in provisions	43	2,487	2,444
Increase/(decrease) in debtors	6,703	(16,708)	(23,411)
(Increase)/decrease in creditors	(6,858)	14,109	20,967
Total* of "restated adjustments"	(112)	(112)	-

* the movements in the provisions, debtors and creditors are the same as illustrated by the "Total * of restated adjustments".

POLICE PENSION FUND ACCOUNT
for the PERIOD 1 APRIL 2023 to 6 MAY 2024

	2023/24 £'000	2022/23 £'000
Contributions receivable		
From Employer		
Normal	(23,315)	(19,261)
Early retirement	-	-
	(23,315)	(19,261)
From Members	(9,703)	(8,054)
Remedy adjustments	(10)	-
	(33,028)	(27,315)
Transfers in		
Individual transfers from other schemes	(65)	(151)
Benefits payable		
Pensions	52,699	43,921
Commutations and lump sum retirement benefits	6,840	9,348
Commutation Payments as a result of Milne v GAD Determination	-	-
Death grants and dependants gratuities	182	124
Payments to and on account of leavers		
Refunds of contributions	52	55
Individual transfers out to other schemes		48
Deficit for the year before transfer from the Police and Crime Commissioner of amount equal to the deficit	26,680	26,030
Additional funding payable by the PFCC to fund the deficit for the year	(26,680)	(26,030)
Additional contribution payable by the employer	-	-
Net amount payable/receivable for the year	-	-

POLICE PENSION FUND NET ASSETS STATEMENT

		6 May 2024 £'000	31 March 2023 £'000
Current Debtors	Note 5	-	-
Total Assets		-	-
Current Creditors	6	-	-
Net Assets		-	-

NOTES TO THE POLICE PENSION FUND ACCOUNTS

1. Accounting Policies

The Pension Fund Accounts have been prepared in accordance with the IFRS Code and on an accruals basis. This means that sums due to or from the Pension Fund are included as they fall due, whether or not the cash has been received or paid. The accounting convention adopted is historical cost.

2. Operation of Police Pension Schemes

CCNY operates three Pension Schemes for police officers. These are unfunded defined benefit schemes, meaning that there are no investment assets built up to meet the pension liabilities and cash has to be generated to meet actual pension payments as they eventually fall due. The second scheme was introduced in April 2006, with the intention that joint contributions of employers and employees would finance the full costs of pension liabilities. All police officers recruited from April 2006 to April 2015 become members of the 2006 scheme and the previous scheme has been closed to new members. The third scheme came into effect for officers recruited on or after April 2015. A number of officers have been transferred from the previous schemes in the year and will continue to do so moving forward based on calculated taper dates.

The charge in the CCNY accounts represents net cost of pensions and other benefits paid, after deducting contributions receivable from members. Members contribution rates vary between 11% and 15.05% of pensionable pay.

3. Funding of Police Pension Schemes

The funding arrangements for Police Pension Schemes changed on 1 April 2006 and again on 1 April 2015. Before 1 April 2006 the schemes did not have a percentage of pensionable pay type of contribution, rather the Authority was responsible for paying pensions of former employees on a pay-as-you-go basis. Under the new funding arrangements the schemes remain unfunded but CCNY no longer meets the pension outgoings directly, instead CCNY pays an employer's contribution, based on a percentage of pay, into the Pension Fund. Each individual Police and Crime Commissioner in England and Wales is required by legislation to operate a Pension Fund for police officers and the amounts that must be paid into and paid out of the Pension Fund are specified by regulation.

Under the new arrangements, the Pension Fund will be balanced to nil at the end of the year by either paying over to NYPFCC the amount by which amounts receivable by the Fund for the year exceeded the amounts payable or by receiving cash from NYPFCC equal to the amount by which the amount payable from the pension fund for the year exceeded the amount receivable. With effect from 1 April 2015 the Home Office does not fund the whole of the difference between payments and receipts and CCNY is required to make an additional contribution calculated according to regulations. NYPFCC will either pay an amount equal to the amount received from the Pension Fund to the Home Office or receive a pension top-up grant from the Home Office equal to the amount paid to the Pension Fund.

4. Liabilities in Relation to Retirement Benefits

The Pension Fund Accounts do not take account of liabilities to pay pensions and other benefits after the period end. Details of the liabilities for retirement benefits attributable to CCNY at 6 May 2024, and of the basis for assessing those liabilities, are included in note 14 to the CCNY Accounts.

The present value of the Police Pension Scheme liabilities, based on the most recent full valuation of the scheme (as at 31 March 2022) and updated to the balance sheet date are disclosed below.

	6 May 2024	31 March 2023
	£'000	£'000
Police Pension Scheme 1987	1,196,540	1,246,550
Police Pension Scheme 2006	38,160	38,770
Police Pension Scheme 2015	132,590	120,260
Total present value of liabilities	1,367,290	1,405,580

Full details of the liabilities for retirement benefits attributable to the group at 6 May 2024, and the basis for assessing those liabilities, are included in Note 14 to the CCNY Accounts.

5. Debtors	6 May 2024	31 March 2023
	£'000	£'000
Short Term - Other Local Authorities	-	-

6. Creditors		
Short term - General	-	-

Independent auditor's report to the Chief Constable of North Yorkshire

Report on the audit of the financial statements

Disclaimer of opinion on the financial statements

We were appointed to audit the financial statements of the Chief Constable of North Yorkshire (the "Chief Constable") for the period ended 6 May 2024, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Police Pension Fund Account, the Police Pension Fund Net Asset Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24.

We do not express an opinion on the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

On 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations require the Chief Constable to publish its Accountability Statements, which include the financial statements and auditor's opinion for the period ended 6 May 2024, by 28 February 2025 ('the backstop date').

The backstop date introduced by the Amendment Regulations has impeded our ability to obtain sufficient appropriate evidence upon which to form an opinion on the financial statements as there has been insufficient time to perform all necessary audit procedures.

Responsibilities of the Chief Finance Officer for the financial statements

As explained more fully in the Statement of the Chief Finance Officer's Responsibilities, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, and for being satisfied that they give a true and fair view. The Chief Finance Officer is also responsible for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2023/24 and prepare the financial statements on a going concern basis on the assumption that the functions of the Chief Constable will continue in operational existence for the foreseeable future. The Chief Finance Officer is responsible for assessing each year whether or not it is appropriate for the Chief Constable to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Chief Constable's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. In reaching this judgement we have complied with the requirements of the Code of Audit Practice and have had regard to the Local Audit Reset and Recovery Implementation Guidance published by the National Audit Office and endorsed by the Financial Reporting Council.

We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on the Chief Constable's arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the period ended 6 May 2024.

We have nothing to report in this respect.

Responsibilities of the Chief Constable

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

Auditor's responsibilities for the review of arrangements for securing economy, efficiency, and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency, and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

We are also required by the Code of Audit Practice, to give an opinion on whether other information published together with the audited financial statements, is consistent with the financial statements. Because of the matter described in the Basis for Disclaimer of Opinion section we do not express an opinion on the financial statements. We also do not express an opinion on whether other information published together with the audited financial statements is consistent with the financial statements.

Use of the audit report

This report is made solely to the Chief Constable of North Yorkshire in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Chief Constable of North Yorkshire those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable of North Yorkshire for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until the National Audit Office has communicated the work we are required to undertake as component auditors for the Whole of Government Accounts



James Collins, Key Audit Partner
For and on behalf of Forvis Mazars LLP

The Corner
Bank Chamber
26 Mosley Street
Newcastle Upon Tyne
NE1 1DF

27 February 2025

GLOSSARY OF TERMS

ACCRUAL: The recognition, in the correct accounting period, of income and expenditure as it is earned or incurred, rather than as cash is received or paid.

ACCRUED BENEFITS: The benefits for service up to a given point in time, whether vested rights or not.

ACTUARIAL GAINS AND LOSSES: For a defined benefit scheme, the changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains or losses) or the actuarial assumptions have changed.

ACTUARIAL VALUATION: A valuation of assets held, an estimate of the present value of benefits to be paid and an estimate of required future contributions, by an actuary, on behalf of a pension fund.

AGENCY SERVICES: The provision of services by a Police and Crime Commissioner or Chief Constable (the agent) on behalf of another Police and Crime Commissioner or Chief Constable, which is legally responsible for providing those services. The responsible Police and Crime Commissioner or Chief Constable reimburses the Police and Crime Commissioner or Chief Constable providing the service.

AMORTISED COST: The cost of an intangible asset after amortisation, which is the systematic allocation of the depreciable amount of an asset over its useful life.

ANNUAL GOVERNANCE STATEMENT: Describes the governance framework incorporating the systems and processes, culture and values by which the Group is directed and controlled and the activities through which it accounts to and engages with the community.

APPROPRIATIONS: Amounts transferred to or from revenue or capital reserves.

ASSET: An item which has a value. For example: land and buildings, vehicles, equipment, cash.

AUDIT COMMISSION: An independent body established under the Local Government Finance Act 1982. It is the responsibility of the Audit Commission to appoint external auditors to Police and Crime Commissioners and Chief Constables.

BALANCES: The total general balances available are the accumulated surplus of income over expenditure which enable operation without borrowing until the first precept and grant payments are received in the early part of the financial year. Balances are also used to cover any unexpected expenditure during the financial year.

BALANCE SHEET: This sets out the financial position of an organisation on a particular date. It shows the balances and reserves at the organisation's disposal, its long-term indebtedness, the fixed and net current assets employed in its operations and summarised information on the fixed assets held.

BUDGET: A statement of an organisation's plans in financial terms. A budget is prepared and approved by the organisation before the start of each financial year and is used to monitor actual expenditure throughout the year.

CAPITAL ADJUSTMENT ACCOUNT: The account through which all financing of fixed assets is charged.

CAPITAL EXPENDITURE: Expenditure on new assets or on the enhancement of existing assets so as to prolong their life or enhance market value.

CAPITAL FINANCING CHARGES: The repayment of loans and interest used to pay for capital projects.

CAPITAL GRANT: Grant from Central Government used to finance specific schemes in the capital programme. Where capital grants are receivable these are used, as far as possible, to finance capital expenditure to which they relate in the year that the grant is received.

CAPITAL RECEIPTS: The proceeds from the sale of an asset, which may be used to finance new capital expenditure or to repay outstanding loan debt, as laid down within rules set by Central Government.

CAPITAL RESERVE: Created to provide an alternative source of financing for capital expenditure and to ensure some stability in the level of capital programmes that can be financed.

CASH FLOW STATEMENT: This summarises the cash receipts and payments of the Group arising from transactions for both revenue and capital purposes.

CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY (CIPFA): This is the main professional body for accountants working in the public services.

COLLECTION FUND: A fund administered by each District Council in which individuals' council tax payments are paid. The Police and Crime Commissioner raises a precept on the fund to finance part of their net revenue expenditure.

COLLECTION FUND ADJUSTMENT ACCOUNT: The account through which to implement the accruals basis for recording the precept in these accounts without affecting the bottom line for taxpayers.

COMPONENT ACCOUNTING: Component accounting requires that where an asset has several components, which can be physically separated from the principal asset and which have significantly different useful lives, these should be recognised separately and should be depreciated based on their respective useful lives. Component accounting aims to improve depreciation accounting and thus improves the measurement of operating results. It also facilitates accounting for replacements.

CONTINGENCY: The sum of money set aside to meet unforeseen expenditure or liability.

COUNCIL TAX: The local tax levied on householders, based on the relative market values of property, which helps to fund local services.

CREDIT APPROVAL: Authorisations given by Central Government to local authorities, which enable them to finance capital expenditure by borrowing or other credit arrangements such as leasing.

CREDITORS: Individuals or organisations to whom money is owed at the end of the financial year.

CURRENT ASSETS AND LIABILITIES: Current assets are items that can be readily converted into cash. Current liabilities are items that are due immediately or in the short term.

CURRENT SERVICE COSTS (PENSIONS): The increase in the present value of a defined benefit scheme's liabilities expected to arise from the employee's service in the current period.

CURTAILMENT: For a defined benefit scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service.

DEBTORS: Individuals or organisations from whom money is owed at the end of the financial year.

DEFERRED LIABILITIES: Liabilities which, by arrangement, are payable beyond the next year, at some point in the future or paid off by an annual sum over a period of time.

DEFERRED PENSIONS: Individuals who have ceased to be active members but are entitled to benefits payable at a later date.

DEFINED BENEFIT SCHEME: A pension scheme which defines the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme.

DEPRECIATION: An annual charge to reflect the extent to which an asset has been worn out or consumed during the financial year.

DIRECT REVENUE FINANCING: Resources provided from the revenue budget to finance the cost of capital projects.

DISCRETIONARY BENEFITS: Retirement benefits which the employer has no legal, contractual or constructive obligation to award and which are awarded under discretionary powers.

EARMARKED RESERVES: These reserves represent monies set aside that can only be used for a specific purpose.

EXPECTED RATE OF RETURN ON PENSION ASSETS: For a funded defined benefit scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

EXTRAORDINARY ITEMS: Material items, possessing a high degree of abnormality, which derive from events or transactions that fall outside ordinary activities and are not expected to recur.

FINANCE AND OPERATING LEASE: A Finance lease transfers all of the risks and rewards of ownership of a fixed asset to the lessee. If these leases are used, the assets acquired have to be included within the fixed assets in the balance sheet at the market value of the asset involved. With an operating lease the ownership of the asset remains with the leasing company and an annual rent is charged to the relevant service revenue account.

FINANCIAL REGULATIONS: A written code of procedures approved by the Police and Crime Commissioner, intended to provide a framework for proper financial management.

FIXED ASSETS: Tangible assets that yield benefits for a period of more than one year.

GAD: The Government Actuaries Department. They provide estimates of the liabilities of the Police Pension Scheme.

GOING CONCERN: The concept that an organisation will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

GOVERNMENT GRANTS: Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

IMPAIRMENT: A reduction in the value of an asset from the balance sheet value occurring as a result of a change in the condition and consumption of the asset or as a result of market conditions.

INCOME AND EXPENDITURE ACCOUNT: This summarises the resources generated and consumed for the year and shows how the costs have been financed.

INTEREST INCOME: The money earned from the investment of surplus cash.

INTEREST COSTS (PENSIONS): For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS): Standards and Interpretations adopted by the International Accounting Standards Board (IASB). They comprise:

- (a) International Financial Reporting Standards;
- (b) International Accounting Standards; and
- (c) Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC).

INVESTMENTS (PENSION FUND): The investments of a Pension Fund will be accounted for in the statements of that Fund. However, sponsoring bodies are also required to disclose, as part of disclosures relating to retirement benefits, the attributable share of pension scheme assets associated with their underlying obligations.

MINIMUM REVENUE PROVISION (MRP): The statutory minimum amount which a Police and Crime Commissioner is required to set aside on an annual basis as a provision to redeem debt.

NET BOOK VALUE: The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

NET CURRENT REPLACEMENT COST: The cost of replacing or recreating the particular asset in its existing condition and in its existing use, i.e. the cost of its replacement or of the nearest equivalent asset, adjusted to reflect the current condition of the existing asset.

NATIONAL NON-DOMESTIC RATES (NNDR): The business rate in the pound is the same for all non-domestic ratepayers and is set annually by the government. Income from business rates goes into a central government pool that is then distributed according to resident population.

NON-OPERATIONAL ASSETS: Non-operational assets are fixed assets held but not directly occupied or used in the delivery of services. They include surplus properties awaiting disposal and assets that are under construction.

OPERATIONAL ASSETS: Fixed assets held and occupied, used or consumed in the direct delivery of those services for which they have either a statutory or discretionary responsibility.

OUTTURN: The actual amount spent in the financial year.

PAST SERVICE COST: For a defined benefit scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

PAYMENTS IN ADVANCE: These represent payments prior to 31 March for supplies and services received by the Group after 6 May.

PENSION FUND: A fund which makes pension payments on retirement of its participants.

POLICE GRANT: A grant paid by the government to Police and Crime Commissioners as a proportion of the Formula Spending Share or FSS.

PRECEPT: The income which the Police and Crime Commissioner requires the District Council to raise from Council Tax on behalf of the Police and Crime Commissioner.

PROJECTED UNIT METHOD: An accrued benefits valuation method in which the scheme liabilities make allowances for projected earnings. The scheme liabilities at the valuation date relate to:

- the benefits for pensioners and deferred pensioners, and their dependents, allowing where appropriate for future increases;
- the accrued benefits for members in service at the valuation date.

PROVISION: An amount set aside to provide for a liability that is likely to be incurred but the exact amount and the date on which it will arise are uncertain.

PUBLIC WORKS LOAN BOARD (PWLb): A government agency which provides longer-term loans to local authorities at interest rates only slightly higher than those at which the government itself can borrow.

RECEIPTS IN ADVANCE: These represent income received prior to 31 March for supplies and services provided by the Group after 6 May.

RESERVES: Monies set aside that do not fall within the definition of provisions.

RETIREMENT BENEFITS: All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment.

REVENUE CONTRIBUTIONS TO CAPITAL: Contribution from the Comprehensive Income and Expenditure Statement to finance capital expenditure and thus reduce the requirement to borrow.

REVENUE SUPPORT GRANT (RSG): General government grant support towards expenditure.

REVALUATION RESERVE: This account represents the difference between the current valuation of fixed assets and the historic costs of those assets. This Account came into effect 1 April 2007.

SCHEME LIABILITIES: The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employee is committed to provide for service up to the valuation date.

SETTLEMENT: An irrevocable action that relieves the employer (or the defined benefit scheme) of the primary responsibility for a pension obligation and eliminates significant risks relating to the obligations and the assets used to effect the settlement.

SPONSORSHIP: The voluntary provision of non-public funds, services, equipment or other resources that enable the enhancement or extension the normal service provided.

STATEMENT OF ACCOUNTING POLICIES: This explains the basis of the figures in the accounts. The accounts can only be properly appreciated if the policies that have been followed in dealing with material items are explained. Changes in policies from previous years have been clearly shown.

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS: This explains the responsibilities of both the Chief Constable and Chief Constable's Chief Finance Officer in respect of the Statement of Accounts.

TRANSFER VALUES: Payment made by one pension scheme to another in respect of accrued pension rights when a member of a scheme changes pensionable employment.

TREASURY MANAGEMENT POLICY (TMP): This is a policy adopted to manage investments, cash flows, and banking transactions. It governs the control of risks associated with these activities and the pursuit of optimum investment return balanced with security of investment.

WORK IN PROGRESS: The cost of work done on an uncompleted project at the balance sheet date.

ACRONYMS

ACC	Assistant Chief Constable
ACPO	Association of Chief Police Officers
AGS	Annual Governance Statement
APACE	Association of Policing and Crime Chief Executives
APCC	Association of Police and Crime Commissioners
ASC	Accounting Standards Committee
CC	Chief Constable
CCNY	Chief Constable of North Yorkshire Police
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFR	Capital Financing Requirement
CIES	Comprehensive Income and Expenditure Statement
CIPFA	Chartered Institute of Public Finance and Accountancy
DCC	Deputy Chief Constable
FRS	Financial Reporting Standards
FSS	Formula Spending Share
FTE	Full Time Equivalent
GAD	Government Actuary's Department
HM	Her Majesty
HMRC	Her Majesty's Revenue and Customs
HO	Home Office
HPCC	Police and Crime Commissioner for Humberside
IAS	International Accounting Standards
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IS	Information Systems
ISD	Information Services Department
IT	Information Technology
JANE	Joint Arrangement Not an Entity
JPAC	Joint Police Authorities Committee
LASAAC	Local Authority (Scotland) Accounts Advisory Committee
LCJB	Local Criminal Justice Board
LGPS	Local Government Pension Scheme
MRP	Minimum Revenue Provision
MTFP	Medium Term Financial Plan
NHS	National Health Service
NYP	North Yorkshire Police
NYPA	North Yorkshire Police Authority
NYPFCC	Police Fire and Crime Commissioner for North Yorkshire
PCC	Police and Crime Commissioner
PCSO	Police Community Support Officer
PFI	Private Finance Initiative
PPE	Property, Plant and Equipment
PWLB	Public Works Loan Board
RICS	Royal Institution of Chartered Surveyors
SeRCOP	Service Reporting Code of Practice

SORP	Statement of Recommended Practice
SSAP	Statements of Standard Accounting Practices
SYPCC	Police and Crime Commissioner for South Yorkshire
TMP	Treasury Management Practices
VAT	Value Added Tax
WYPA	West Yorkshire Police Authority
WYPCC	Police and Crime Commissioner for West Yorkshire