

Greater London Authority

Statement of Accounts 2024-25

AUDITED

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Narrative Report

The GLA's accounts provides detail on the Authority's financial position. They are a critical part of our stewardship of large sums of public money. This narrative draws out the key issues from these accounts to make them clearer and more understandable to all interested parties.

Structure

This narrative sets out the:

- Core accounting statements
- GLA's context
- Performance against the Mayor's vision
- Financial performance in 2024-25
- GLA's Balance Sheet at 31 March 2025, and
- Main financial issues and risks facing the Authority.

Core Accounting Statements

The **core accounting statements** covering the Authority and the Group are the:

Comprehensive Income and Expenditure Statement: this records the income and expenditure for the year. The top half of the statement provides an analysis by service area. The bottom half of the statement deals with corporate transactions and funding.

Movement in Reserves Statement: this is a summary of the changes to reserves over the course of the year. Reserves are divided into 'usable', which can be invested in capital projects or service improvements, and 'unusable' which must be set aside for specific accounting purposes and do not exist for investment or spending purposes.

Balance Sheet: This is a 'snapshot' of the assets, liabilities, cash balances and reserves at the year-end date; and

Cash Flow Statement: This shows the reason for changes in the cash balances during the year, and whether that change is due to operating activities, new investment, or financing activities (such as repayment of borrowing and other long-term liabilities) .

Context

The GLA is the strategic authority for London and sits between the national Government and the London boroughs. It consists of:

- the Mayor of London, who is responsible for making London a better place for all those who visit, live or work in the city; and
- the London Assembly, which holds the Mayor to account.

The Mayor has five priorities to make London an even better city. They are to:

- keep Londoners safe
- turbocharge economic growth
- ensure opportunities for young people
- make London the greenest city in the world; and
- build more affordable homes

The Mayor delivers this vision for London principally through the activities of:

- the GLA itself and its wide network of partnerships, including the London Partnership Board which the Mayor co-chairs with the chair of London Councils. Although much of the GLA's work is strategic – setting frameworks for London's boroughs and others to work within in areas like the environment, urban planning and economic development – the GLA now has significant delivery budgets for affordable homes and adult education
- London Fire Brigade, which provides the city's fire and rescue service, under the oversight of the London Fire Commissioner
- two Mayoral Development Corporations (MDCs) – London Legacy Development Corporation (LLDC) and Old Oak and Park Royal Development Corporation (OPDC) – responsible, respectively, for regeneration centred on the Queen Elizabeth Olympic Park and the Old Oak and Park Royal area. The newest mayoral development corporation Oxford Street Development Corporation (OSDC) was established on 1 January 2026.
- the Metropolitan Police Service, which provides the capital's police service, under the oversight of the Mayor's Office for Policing and Crime; and
- Transport for London, which provides London's transport service.

The Mayor is responsible for setting an annual budget of some £22 billion (2024-25) for these bodies. However, these accounts are limited to the GLA itself, GLA subsidiaries and the two MDCs which are treated as part of the GLA's Group Accounts.

The accounts also include any fund transfers in respect of council tax and retained business rates and as reflected in the Fund Account, certain grants the GLA passports to functional bodies including the Home Office police grant.

Performance against the Mayor's vision

The [Annual Report](#) was published in June 2025 and provides information on performance and achievements across the following Mayoral themes:

- Working in partnership to address London's complex, cross-cutting challenges
- Economic development
- Skills and employment
- Culture, creative and 24-hour London
- Policing and crime
- Fire and resilience
- Environment
- Housing and land
- Planning and regeneration
- The Old Oak and Park Royal Development Corporation (OPDC)
- The London Legacy Development Corporation (LLDC)
- Civil society and sport
- Health, children and young Londoners
- Communities and social policy
- Transport, air quality, connectivity and infrastructure

Financial Performance 2024/25

Revenue

The GLA financial position is set out below: Revenue - £3.7 million underspend against a net budget of £386.8 million. The GLA budget includes £596.2 million of specific grant income.

There have been underspends against a range of themes: Social Justice (additional rough sleeping costs have been funded by MHCLG and a range of Communities and Social Policy programmes are re-profiled into 2025-26), Environment (also due to programmes being re-profiled into 2025-26, including the Zero Carbon Accelerator Programme and the Warmer Homes Programme) and Global city and culture (due to additional income from the Department for Culture, Media and Sport (DCMS)), as well as in the Core budget.

This is offset by some overspends, notably in Children and Young People (where spending on the Universal Free School Meals programme is profiled against academic, not financial, years and was higher than expected at the start of the financial year).

A table summary of the main reasons for this variance is set out below:

Revenue Outturn - overall variance £3.7 million underspend

Service	Revised Net Budget	Net Outturn	Variance	Main reasons for (underspends)/overspends
	£m*	£m	£m	
Chief Officer	30.2	36.3	6.1	This overspend was mostly driven by the higher than expected cost of the 2024 Mayoral election.
Chief Finance Officer	19.2	12.5	(6.7)	Underspends against the Enterprise Resource Planning project, Treasury and staff costs and the Group collaboration budget.
Communities & Skills	178.7	182.8	4.1	Overspend relates to a timing difference on the Universal Free School Meals programme – these are paid across academic, not financial years and the payment profile was higher than expected during the 2024-25 financial year.
Good Growth	69.2	66.3	(2.9)	Underspends against environment-related projects due to delays in project mobilisation
Housing & Land	13.0	12.5	(0.5)	Main underspend in Specialist Housing and Support services as higher than expected costs have been recharged to the Ministry of Housing, Communities and Local Government (MHCLG) across the Rough Sleeping programme
Mayor's Office	6.0	5.9	(0.1)	Minor staffing underspends
Corporate Resources & Business Improvement	37.8	36.9	(0.9)	A range of underspends across Shared Services and the Digital Experience Unit, offset by small overspends against People Services and the Technology Group
Strategy & Communications	32.7	29.9	(2.8)	Main underspend against Major Sports events due to additional income being received from the Department for Culture, Media and Sport (DCMS).
Total	386.8	383.1	(3.7)	

*£m-million

Budget monitoring reports are published quarterly and report on the forecast, and at year-end the actual, surplus or deficit position on the General Fund balance. They compare budget for the year against annual expenditure and funding from government grants, rents, council tax and business rates and other funding sources.

The Comprehensive Income and Expenditure Statement (CIES) in the financial statements differs from the budget monitoring report. The CIES reports on the basis of expenditure measured under proper accounting practices. Proper accounting practices measure the resources that have been generated and consumed in the year including such things as the use of property (depreciation) and the value of pensions benefits earned by the employees, which alongside other charges, are not included in the budget monitoring reports as statutory provisions determine how much of the authority's expenditure needs to be met from council tax each year.

The Expenditure and Funding Analysis in Note 8 provides a reconciliation between spend as reported for budget monitoring purposes and spend reported in the CIES.

Capital

The year-end position is an overspend of £54.4 million on a budget of £1,024.3 million. The largest element of which has arisen from an acceleration of the Affordable Homes Programme. There are a mixture of underspends and project slippages across Skills, Environment and Core. However, the largest budget variance was in Housing, with an overall overspend against budget related to over-achievement (i.e. faster and higher than expected spend against budget) across the Affordable Homes Programme (AHP). A table summary of the main reasons for this variance is set out below:

Capital Programme Outturn – overall variance £54.4 million overspend.

Programme	Revised Net Budget	Net Outturn	Variance	Main reasons for (underspends)/overspends
	£m	£m	£m	
Chief Finance Officer	65.3	52.2	(13.1)	The underspend relates to drawdown from the Green Finance Fund for three projects being less than originally planned.
Communities & Skills	43.4	17.2	(26.2)	The underspend was mainly due to delays in grants claimed by the delivery partners.
Good Growth	97.4	79.8	(17.6)	The underspend is due to the following key factors: <ul style="list-style-type: none"> • Uptake in the Home Grant 2 programme being lower than anticipated. • Delays in completing the funding agreement for the Centre for Climate Change Innovation programme; and • Slippages in the Air Quality programme and the Regeneration Unit programmes.
Housing & Land	815.8	928.5	112.7	The net overspend is due to an acceleration in the affordable housing programmes AHP 2016-23 and 2021-26 exceeding the budget targets by £212 million. This was offset by underspend on the following programmes: underspend of £59.4 million on Building Safety programmes due to delays as a result of additional controls introduced by the Building Safety Regulator; underspend of £34.5 million in Investment and Operations due to counterparty using their internal funds on developments rather than drawing funds from the GLA.
Corporate Resources and Business Improvements	2.4	1.0	(1.4)	The underspend is due to delays in works at Trafalgar Square and reduced demand to replacement technology kits.
Directorate total	1,024.3	1,078.7	54.4	

Balance Sheet

Set out below is a summary of the **Authority's Balance Sheet**, comparing the position to a year ago.

Authority Balance Sheet

As at 31 March:	2025	2024
	£m	£m
Assets	5,054	5,190
Liabilities	(6,402)	(6,474)
Net Liabilities	(1,348)	(1,284)

The Authority's net liability position is driven by the borrowing undertaken to fund infrastructure assets held in Transport for London's balance sheet; this includes the Elizabeth Line (Crossrail) and the Northern Line Extension.

The net liabilities increased by £64 million year on year and significant in-year movements to note are:

- £57 million reduction in net pensions asset as the Authority will not receive any economic benefit from the pension fund surplus through reduction in future contributions
- £109 million reduction in borrowing largely due to the repayment of Crossrail borrowing. The repayments were funded by surplus Business Rates Supplement and Mayoral Community Infrastructure Levy income.
- Short-term investments decreased by £90 million from £110 million to £20 million as a result of the settlement of a £110 million loan during the year, partially offset by a new £20 million loan advanced at the end of the financial year.

Group Balance Sheet

As at 31 March:	2025	2024
	£m	£m
Assets	5,195	5,542
Liabilities	(6,681)	(7,013)
Net Liabilities	(1,486)	(1,471)

The £0.02 billion reduction in the Group's net liability position is driven by a reduction in borrowing and the LLDC East Bank provision.

Significant financial transactions

Acquisition of London Stadium LLP (LS LLP), LS185 Limited (LS185) and Stratford East London Holdings Ltd (SELH)

On 31 March 2025, Greater London Authority Holdings Limited (GLAH) acquired London Stadium LLP (previously E20 Stadium LLP), LS185 Limited and Stratford East London Holdings Ltd from the London Legacy Development Corporation (LLDC) (a GLA subsidiary). As these are transfers within the GLA group, accounted for at book cost, there was no net change to the group balance sheet at the acquisition date.

GLAH acquired a 100% shareholding in SELH. GLAH acquired a 99% interest in LS LLP; the remaining 1% interest in LS LLP is held by SELH.

LS LLP holds 100% of the shares in LS185.

SELH is a holding company that was created solely to hold an interest in LS LLP.

LS LLP holds a 102-year lease for the Queen Elizabeth stadium, a venue that was originally built for the 2012 Olympic and Paralympic Games and is now a multi-use venue.

LS185 operates the stadium on a day-to-day basis.

Common control transaction

Both GLAH, as acquirer, and LLDC, as transferor, are ultimately controlled by the GLA and, as such, ultimate control of LS LLP remains the same both before and after the transaction. As a result, the business combination does not fall within the scope of IFRS 3 Business Combinations, as per IFRS 3 paragraph 2(c):

Scope 2

This IFRS applies to a transaction or other event that meets the definition of a business combination. This IFRS does not apply to...(c) a combination of entities or businesses under common control (paragraphs B1–B4 provide related application guidance).

GLAH, as the acquirer in a common control transaction, accounts for the transfer at the value LLDC held the LS LLP investment in its group accounts immediately prior to the transfer on 31 March 2025. As the carrying amount of LLDC's existing investment in LS LLP is nil The carrying amount of this investment is also nil in the GLAH balance sheet.

There is therefore no financial impact on the GLAH single entity balance sheet.

Acquisition of SELH– Common control transaction

The one issued share in SELH has been acquired by GLAH for £1. As a common control transaction, the accounting is at book value. LLDC holds its investment in SELH at £1. There is a £1 increase in the carrying value of Non-Current Assets-Equity Investments in Partnerships in GLAH's single entity balance sheet.

Control assessment

GLA is the parent of GLAH, holding 100% of GLAH's share capital and is the ultimate parent of LS LLP and SELH.

IFRS 10.4 states that "an entity (the parent) that controls one or more other entities (subsidiaries) shall present consolidated financial statements".

Control under IFRS 10 is assessed on the basis of:

1. Power over the investee's relevant activities,
2. Exposure, or rights, to variable returns from its involvement, and
3. The ability to use its power to affect those returns

GLA, will be the funder of the LS LLP, and will therefore be exposed to the variable returns of the LS LLP group. In the 2025-26 GLA Group budget the GLA is budgeted to fund LS LLP, £19.5 million in 2025-26 and £16.1million in 2026-27. Also, the GLA would be required to fund any spend in excess of the budgeted funding.

The LS LLP Members Agreement sets out in the list of Reserved Matters the decisions requiring the Mayor's approval (Type 1) or the approval of a GLA Chief Finance Officer (Type 2). Decisions or matters that require the Mayor's approval and which point to GLA control as defined in IFRS 10 Consolidated Financial Statements include the appointment/dismissal of the Chair and all members of the board, approval of the annual business plan and any material variation to the nature/scope of the business. The Articles of Association of SELH and LS185 also include these reserved matters. GLAH does not play a role in key decision making of LS LLP.

There is no impact on the GLAH group accounts as it is management's judgement that GLAH does not control LS LLP. GLA, the ultimate parent, exerts control and LS LLP has been consolidated directly into the GLA group accounts.

Transaction subsequent to the transfer of LS LLP - Settlement of the London Stadium loan

In 2017, LLDC provided E20 Stadium LLP (now LS LLP) with a series of interest-bearing loans (the loan) to fund working capital whilst the business was being restructured, with interest accumulating annually. The outstanding loan balance, as at 31 March 2025 was £111.2 million. Subsequent to the transfer of LS LLP to GLAH, the LLDC loan was settled by LS LLP. The treatment of the loan was approved as MD 3370, which was signed on 28 March 2025.

The following transactions took place in order to settle the loan that LS LLP owed to LLDC at 31 March 2025:

- GLA made a capital contribution of £111.2 million to GLAH
- GLAH made a £111.2 million capital contribution to LS LLP
- GLA and GLAH impaired the respective equity investments in GLAH and LS LLP
- LS LLP paid £111.2 million to LLDC to repay the LLDC borrowing
- LLDC reversed the previous impairment of the LS LLP loan investment and settled the LS LLP loan investment
- LLDC paid the £111.2 million to the GLA to repay £80.1 million of capital grant advanced by the GLA in 2024-25 and the remainder £31.1 million was transferred to reserves and along with an £80 million transfer from earmarked reserves, used to finance the impaired equity investment in GLAH.

Adoption of IFRS 16 Leases

On 1 April 2024, the Authority adopted IFRS 16 Leases, which requires operating leases with a remaining life of more than 12 months, to be brought on balance sheet. This is effected by the creation of a right-of-use asset offset by a lease liability.

The Authority's right of use assets (Union Street, City Hall and Crystal Palace) have a carrying value at 1 April 2024 of £23.6m.

Reserves

Set out below is a summary of the GLA's usable and unusable reserves at 31 March 2025, comparing the position to a year ago.

Authority Reserves

As at 31 March:	2025	2024
	£m	£m
Usable Reserves	(2,726)	(2,908)
Unusable Reserves	4,074	4,193

The Authority's usable reserves have decreased by £0.18 billion. This is largely due to a £0.2 billion decrease in earmarked revenue reserves. See Note 10 for an analysis of the movement in revenue reserves.

The Authority's unusable reserves are set aside for specific accounting purposes. They do not represent available funds and therefore cannot be used for investment or spending purposes. The balance relates largely to capital grants paid to TfL for the Northern Line extension (NLE) to Nine Elms and Battersea Power Station (NLE) and Crossrail (the Elizabeth line) which are financed from external borrowing but where TfL, rather than the GLA, holds these assets. These unusable reserves will be written down over time as the GLA's Crossrail and NLE borrowing is repaid over the next two decades.

Group Reserves

As at 31 March:	2025	2024
	£m	£m
Usable Reserves	(2,956)	(3,054)
Unusable Reserves	4,441	4,525

As the majority of the usable and unusable reserves are held by the Authority the explanations in the preceding two paragraphs apply equally to the Group reserves.

Borrowing

Authority Borrowing

Set out below is a summary of the Authority's net decrease in overall level of debt.

As at 31 March	2025	2024
	£m	£m
Overall level of debt	5,240	5,349

There has been a reduction in overall borrowing of £109 million. The borrowing undertaken is within CIPFA's Prudential Code and financed by discrete income streams i.e., the Crossrail business rate supplement and the Mayor's Community Infrastructure Levy (MCIL) in respect of Crossrail and business rates growth and developer contributions, collected by the London Boroughs of Lambeth and Wandsworth in the Nine Elms and Battersea Power station statutory designated area, in relation to the NLE.

Pensions

The GLA's pensions arrangements are set out in detail in Note 21 in these statements. These statements show that the GLA holds a net pensions asset (a surplus of plan assets over its liabilities) of £123m million at 31 March 2025, an increase of £66 million from the £57 million net asset position at 31 March 2024. However, as the present value of the minimum funding requirement contributions exceeds the future service costs, the Authority is not expected to benefit from any economic return from the surplus and the net defined benefit asset has been restricted to nil on the balance sheet.

The Pension Fund is revalued every three years by an independent actuary to assess future liabilities and set employers' contribution rates. The most recent triennial actuarial valuation covers the period 2023-24 to 2025-26 and set the employer contribution rate at 9.5%.

Business Rates and Council tax income

In respect of the 2024-25 financial year, the GLA received around £3.03 billion in business rates income from London billing authorities in instalments (i.e. 37 per cent of the total receipts the billing authorities estimated they would receive). Net of the tariff and other minor adjustments, around £2.8 billion of estimated retained business rates income was allocated to spend on services in the Mayor's originally approved 2024-25 budget. In addition, £53 million was received through the net estimated surplus for 2023-24 and prior years.

The actual outturn based on the National Non-Domestic Rating 3 returns for 2024-25 submitted in April 2025 was a £41.8 million surplus resulting in the total business rates income recognised for accounting purposes being £3.08 billion (as set out in Note 15).

A further £1.49 billion was raised through the GLA's council tax precept in 2024-25 of which £963.7 million was applied to fund policing through the Mayor's Office for Policing and Crime. In addition, £244.1 million was allocated to Transport for London and £211.4 million for the London Fire Commissioner. The remainder was allocated to the GLA and the London Assembly.

The 2023-24 Mayor's budget also introduced a free school meals programme for all state school primary children in London for the 2023-24 academic year funded from in year and prior year business rates income which was continued in 2024-25 funded through Business Rates and use of reserves.

The Chief Finance Officer is committed, to maintaining the Business Rates Reserve (BRR) to a level that reflects the risks to future tax revenues. This target balance equates to the shortfall the GLA would need to meet were it to be in a safety net position for a single year within the business rates retention system based on the 92.5% threshold in place for the GLA and the majority of English local authorities. In the 2024-25 budget, the target balance was set at £102.1 million after meeting approved budget commitments in line with this safety net estimate taking into account the latest local government finance settlement. The target balance for the BRR will remain under review to take into account the impact of the planned funding reforms to local government finance effective from April 2026.

Main financial issues and risks facing the Authority

Details of the main risks facing the GLA are set out in the Authority's Risk Register and the Going Concern note (Note 2 iv). Further, the Annual Governance Statement published alongside these accounts also sets out many of the issues facing the GLA.

The main financial issues and risks facing the Authority are:

- Reliance on income from government – around 60% of the Authority's income for the 2024-25 financial year (and the budget for the 2025-26 financial year), excluding ring fenced locally raised revenues to fund the GLA's Crossrail and NLE debt, comes from central government grants. Therefore, the scope of the work that these grants fund is reliant on continued support from government. In addition, around 27% of the budgeted income for the 2025-26 financial year comes from business rates and council tax income. In the case of business rates, future income is uncertain and is reliant on the outcome of the government's local government funding and business rates reforms, including the impact of the multi-year Local Government Finance Settlement for 2026-27 and future levels of business rates income reported by the 33 billing authorities. To mitigate this risk, the Authority continues to work closely with the Functional Bodies and Mayoral Development Corporations to ensure that a balanced budget will be set for future years.
- Exposure to the housing and land market – the Authority has financial exposure/interest in a range of significant housing and infrastructure projects across London, as the ultimate funder for GLAH, GLAP, LLDC and OPDC. These projects are subject to potential fluctuations in land values and are impacted by increased construction costs. These projects include the regeneration of the Queen Elizabeth Olympic Park, overseen by LLDC, which continues to build out its masterplan over the next few years, with the GLA as the ultimate funder, reliant on a range of factors such as the housing market and other commercial developments on the site that could impact repayment of loans made to LLDC; the operation of the London Stadium, which continues to require long-term support; and a range of development projects through GLAP, including the joint venture at Barking Riverside Limited. All of these risks remain substantial over the medium term and measures are in place to continually review financial and market risks.

- Indirectly exposed to wider economic conditions – this could include the impact on the wider GLA Group, via Functional Bodies, whose overall impact can be impacted by factors such as Transport for London fares income. For the Authority itself, around 9% of budgeted income for the 2025-26 financial year comes from interest income on cash balances, which are impacted by a range of factors including future movements in interest rates. The Authority operates a robust Treasury management strategy, through London Treasury Limited, to forecast and manage such risks.

Climate Change Budget

The Mayor is responsible for producing a London Environment Strategy which takes account of strategic environmental issues including climate change mitigation and adaptation.

The Mayor has set a goal of London being net zero by 2030 and has published his preferred pathway for achieving this goal. As part of that ambition, the GLA is working with the functional bodies of the GLA to develop and implement their own plans to achieve net zero emissions across their estate and fleet by 2030. The Mayor has a number of programmes and policies to tackle emissions across London and improve the resilience of the city in the face of a changing climate.

In 2022-23 a climate emergency funding reserve was created to support the delivery of an estimated £500 million of projects across the GLA Group and strategic partners (such as the London Boroughs, the Corporation of London and the NHS), through the Green Finance Fund (GFF). At 31 March 2025, £90 million has been set aside and consists of £15 million to support project development and £75 million to support the cost of finance associated with £500 million and will be spent in the coming years; at 31 March 2025 the total amount used was £9.3m. During the financial year, £318.6 million was allocated from the GFF to low carbon and environmental projects, and of that amount £152.2 million was drawn.

The Mayor's agreed 2025-26 budget included a climate budget that sits alongside the financial budget. The Climate budget (in its second year) sets out actions being taken across the group to cut emissions both in its own estate and fleet and across London. It also outlines measures to support climate adaptation in the city. The purpose of the climate budget is to mainstream climate considerations into decision making via the budget allocation process and highlight progress towards delivering long-term climate targets.

Oxford Street

The Oxford Street Development Corporation (OSDC) is a Mayoral Development Corporation (MDC) established to lead the long-term transformation and regeneration of Oxford Street. Legally effective from 1 January 2026, it centralises planning and development powers to realise the Mayor of London's vision to pedestrianise the designated area.

Fay Hammond

Fay Hammond, CPFA
Chief Finance Officer
18 February 2026

Statement of Responsibilities for the Statement of Accounts

The Authority's responsibilities

The Authority is required to:

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

The Chief Finance Officer's responsibilities

The Chief Finance Officer is responsible for the preparation of the Authority'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 2024-25* (the Code) and IFRS as adopted in the United Kingdom.

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; and
- complied with the local authority Code.

The Chief Finance Officer has also:

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

Certificate of the Chief Finance Officer

I certify that the Statement of Accounts for the Greater London Authority, gives a true and fair view of the financial position of the Greater London Authority as at 31 March 2025 and its income and expenditure for the year ended 31 March 2025.



Fay Hammond, CPFA

Chief Finance Officer

18 February 2026

Approval of the Statement of Accounts by the Mayor of London

In accordance with Regulation 9(2) of the Accounts and Audit Regulations 2015, I approve the accounts of the Greater London Authority.

A handwritten signature in blue ink, appearing to read 'Sadiq Khan', is positioned above a horizontal line.

Sadiq Khan

Mayor of London

18 February 2026

INDEPENDENT AUDITOR'S REPORT TO THE MAYOR OF THE GREATER LONDON AUTHORITY

Opinion

We have audited the financial statements of the Greater London Authority (**'the Authority'**) and its **subsidiaries (the 'Group')** for the year ended 31 March 2025. The financial statements comprise the:

- Authority and Group Comprehensive Income and Expenditure Statement
- Authority and Group Movement in Reserves Statement,
- Authority and Group Balance Sheet,
- Authority and Group Cash Flow Statement
- the related notes 1 to 54
- the Fund Account
- the Crossrail Revenue Account (and related note 55)

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 2024/25.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Greater London Authority and Group as at 31 March 2025 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Authority 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 as applied to listed public interest entities, and the Code of Audit Practice 2024, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Chief Finance Officer's assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Reading the Narrative Report and Financial Statement disclosures in relation to the financial statements being prepared on a going concern basis to ensure that they were consistent with our knowledge of the Group and Authority's financial position;
- Assessing the information used in the going concern assessment, for the period through 31 March 2027 in the financial statements for consistency with management reporting, and information obtained through auditing other areas of the business;
- Assessing the levels of current and forecast borrowing against the Prudential Borrowing Limit and confirming that the Authority is within that limit and has no plans for further borrowing within the going concern period;
- Comparing the actual cash position to the prior year forecast cash position to assess the accuracy of management's cashflow forecasting;
- Undertaking reverse stress testing on management's base case scenario to understand the potential circumstances that could result in reserve or liquidity shortages within the going concern period. This included removal of unconfirmed grants from the budget, a reduction in the council tax base and reductions to business rates income; and
- Considering the mitigations available to the Authority and assessed the headroom available against the Authority's Authorised Prudential Borrowing Limit over the going concern assessment period and considered the accessibility of borrowing from the Public Works Loans Board.

We have observed that the Group has applied the principles in the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and on this basis has concluded that the Going Concern basis of preparation remains appropriate. The Group has access to cash and cash equivalents amounting to £2.6 billion as at the 31 March 2025, and in addition has access to borrowings of £6 billion within their Authorised Prudential Borrowing Limit.

The Authority's management has reviewed the level of reserves at 31 March 2025 and has determined, having set a balanced budget for 2025/26, that they have sufficient reserves to continue to provide services within the going concern period without having to make unplanned service reductions.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Authority's ability to continue as a going concern for a period to the 31 March 2027.

Our responsibilities and the responsibilities of the Chief Finance Officer with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	<ul style="list-style-type: none">We performed an audit of the complete financial information of two components and audit procedures on specific balances for a further seven components.
Key audit matters	<ul style="list-style-type: none">London Stadium – Onerous Contract ProvisionProperty ValuationNon-current assets held at amortised cost
Materiality	<ul style="list-style-type: none">Overall group materiality of £75 million which represents 1% of gross expenditure (both revenue and capital)

An overview of the scope of the parent and group audits

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of

material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the applicable financial framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We determined that centralised audit procedures were not suitable to be performed.

We then identified nine components as individually relevant to the Group due to relevant events and conditions underlying the identified risks of material misstatement of the Group financial statements or due to materiality or financial size of the component relative to the Group.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the Group financial statements. We did not select any additional components of the Group to include in our audit scope to address these risks.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the nine components selected, we designed and performed audit procedures on the entire financial information of two components ("full scope components"). For four components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components"). For the remaining three components, we performed specified audit procedures to obtain evidence for one or more relevant assertions.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key Audit Matters section of our report

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group audit engagement team, or by component auditors operating under our instruction. The Group audit team continued to follow a programme of planned discussions that has been designed to ensure that the Key Audit Partner provides appropriate oversight for the audit of the subsidiary bodies. The audit work for all relevant components is undertaken by an EY audit team, and discussions were held with component teams on the audit approach and any issues identified. The Group audit team also attended meetings with local management, held internal planning and closing meetings with component teams and reviewed relevant audit working papers on risk areas. The Group audit team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. Where relevant, the section on Key Audit Matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact the Authority and Group. The Mayor has set a goal for London to be net zero by 2030 and has published his preferred pathway for achieving this goal. As part of that ambition, the Authority is working with its functional bodies to develop their own plans to achieve net zero by 2030.

The Group has explained in the 'Basis of Preparation of Group Accounts' its articulation of how climate change has been considered in the financial statements and how they have reflected the impact of climate change in their financial statements. There are no significant judgements or estimates relating to climate change in the notes to the financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk. In its assessment, the Group has determined that climate change does not have a material impact on the financial statements as explained in the Basis of Preparation. Climate change considerations are explained on pages 14-15 in the Narrative Report which forms part of the "Other information," rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit.

Based on our work we have not identified the impact of climate change on the financial statements to be a Key Audit Matter or to impact a Key Audit Matter.

Key audit matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
<p>Onerous Contract provision (2024/25: £241.5 million, 2022/23: £206.7 million)</p> <p>When the London Stadium commenced operations management identified that for two of its three key contracts, the unavoidable costs associated are likely to exceed the economic benefits received, rendering them onerous under IAS 37.</p> <p>This provision is updated annually based on judgements made by management in the London Stadium's business plan.</p> <p>The provision is based on a number of key assumptions including contractual costs, relevant revenue streams and amounts, discount rate, the number of games and the number of days it takes to hold events.</p> <p>As a material, judgemental balance, the provision is susceptible to the risk of management override.</p>	<p>We addressed our risk through substantive testing which was performed by the component audit team for London Stadium.</p> <p>The Group audit team exercised oversight and performed additional review procedures in these areas as follows:</p> <p>We gained an understanding and evaluated key controls surrounding the calculation, management's judgements and accounting for the provision.</p> <p>We reviewed management's technical accounting paper for the onerous contract provision and its alignment with the requirements of IAS 37.</p> <p>We reviewed the inputs into the provision calculation and corroborated these to source evidence. This included the London Stadium business plan.</p> <p>We challenged the basis for the calculation (business plan) and specifically challenged the completeness of the costs included in determining the onerous contract provision, confirming that these should be direct costs only or the least</p>

Risk	Our response to the risk
<p>Refer to notes 5 and 41 in the statement of accounts.</p>	<p>net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.</p> <p>We identified and challenged the key assumptions included in the provision calculation, including the discount factor used, the valuation of relevant revenue streams, and the directly attributable costs.</p> <p>We used our EY specialists to review the valuation of a specific revenue stream applied in the calculation.</p> <p>We used sensitivity analysis to test these key assumptions and conclude as to the appropriateness of the range of values given and sceptically challenge whether the provision is reasonable on that basis.</p> <p>We ensured that the unwinding of the discount relating to the onerous contract provision had been appropriately reflected in the calculation and that it is treated and accounted for correctly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.</p> <p>We reviewed disclosures in the financial statements ensuring appropriate disclosure of the uncertainties, sensitivities, and key judgements applied in determining the estimate.</p>
<p>Key observations communicated to the Mayor</p> <p>We concluded that the basis on which the provision is recognised is in accordance with the requirements of IAS 37 as applied by the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.</p> <p>Based on the procedures performed, we determined that the original calculation of the provision understated the balance by £36.9 million. This has been corrected in the updated financial statements. We also requested management increase the level of disclosure around key assumptions, sensitivities and estimation uncertainties of the provision.</p> <p>The judgements made related to the onerous contract provision in the financial statements have been appropriately described.</p>	

Risk	Our response to the risk
<p data-bbox="197 172 398 199">Property Valuation</p> <p data-bbox="197 236 672 292">Investment Property and Inventory - 2024/25: £525.8 million (2023/24: £552.1 million)</p> <p data-bbox="197 328 683 448">The Group holds material assets which are classified as investment property and inventory within the financial statements. The complexity of these valuations means that small changes in</p>	<p data-bbox="705 172 1292 268">The following procedures were performed by the component teams for London Legacy Development Corporation (LLDC), Old Oak and Park Royal Development Corporation (OPDC) and Greater London Authority Holdings Ltd (GLAH).</p> <p data-bbox="705 296 1272 368">The Group audit team exercised oversight and performed additional review procedures in these areas as follows:</p> <p data-bbox="705 397 1292 445">We obtained management's valuation reports for properties valued at 31 March 2025.</p>

Risk	Our response to the risk
<p>assumptions such as yields, discount rate, market rental levels and outstanding costs can have a material impact on the valuation of these assets within the financial statements.</p> <p>In addition, whether these assets are classified as investment property or inventory determines the basis on which they are valued and their presentation within the balance sheet. There is a risk that any incorrect classification between investment property and inventory could have a material impact on the valuation of assets within the financial statements and the corresponding accounting entries and disclosures.</p> <p>Refer to notes 5, 26, 27 and 37 in the financial statements .</p>	<p>We evaluated the competence of the Group's external valuers, who cover investment property and inventory valuations. Our evaluations considered their qualifications, expertise and independence.</p> <p>We tested the valuation report prepared by the external valuers, agreeing the report to the financial statements to confirm the accuracy of the financial statements.</p> <p>We selected a sample of investment properties held by GLAP, OPDC and LLDC based on size. For all assets in this sample of properties, we tested the appropriateness of assumptions applied. This included agreeing source data back to supporting evidence, including development agreements and area sizes.</p> <p>We selected a sample of properties classified as inventory held by both GLAP and LLDC based on size. For all assets in this sample of properties, we tested whether properties were appropriately recognised at the lower of cost or net realisable value in accordance with IAS 2.</p> <p>We tested the appropriateness of assumptions applied in the calculations of the net realisable value. For development properties held by LLDC this included agreeing assumptions over costs to complete which we agreed to forecasts from the developer. For GLAP this included agreeing inputs into the valuations prepared by management's specialist through supporting evidence.</p> <p>We used our valuation experts to assist in our testing of assumptions for a sample of investment properties and inventory assets. Our valuation experts reviewed and challenged the valuation approach and assessed whether the assumptions applied by the external valuers, such as the estimated rental values, discount rate, yield and development costs were supported by available data. They also considered whether other market transactions contradict the assumptions used in the valuations.</p> <p>For all assets within our sample we challenged the purpose for which the asset was held to assess whether the property was correctly classified as inventory or investment property in line with the requirements of IAS 2 and IAS 40.</p> <p>We reviewed disclosures in the financial statements ensuring appropriate disclosure of the uncertainties, sensitivities, and key judgements applied in determining the estimate.</p>

Key observations communicated to the Mayor

We have concluded that the values of Investment Property and Inventory assets are within an acceptable range, the assets are appropriately valued and classified in accordance with the requirements of IAS 40 and IAS 2 as applied by the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

We have concluded that the balances and disclosures in the financial statements and notes appropriately reflect the risk factors identified and are in compliance with the requirements of IAS 40 and IAS 2 as applied by the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Risk	Our response to the risk
<p>Non-current assets held at Amortised cost - 2024/25: £373.2 million (2023/24: £387.6 million)</p> <p>Non-current assets held at amortised cost include loan investments held within Greater London Authority Holdings (GLAH) and long-term debtors held within the Authority.</p> <p>These assets are accounted for in line with IFRS 9 Financial Instruments; an impairment review is undertaken to assess whether any expected credit loss should be recognised. The total expected credit loss charged to the Comprehensive Income and Expenditure Statement by the Group in 2024/25 is (£11.0 million) (2023/24 £10.9 million).</p> <p>Management engages a specialist to support with key assumptions in calculating expected credit losses.</p> <p>There is a risk that these assets could be over-valued with insufficient expected credit losses recognised that reflect the risks of the underlying loan arrangements.</p> <p>Refer to note 5.3 and note 50h in the financial statements.</p>	<p>We gained an understanding and evaluated key controls surrounding loan investments and long-term debtors.</p> <p>We obtained management's expected credit loss calculations for amortised cost assets at 31 March 2025 and agreed the calculation to the financial statements to confirm the accuracy of the financial statements.</p> <p>We evaluated the competence of the Group's external specialist, which included consideration of their qualifications, expertise and independence.</p> <p>We agreed the credit rating used by management's specialist to third party available information and challenged any variations.</p> <p>We confirmed whether loans were secured by collateral through inspection of loan agreements. Where loans were secured by collateral, we compared the value of collateral against the loan exposure to assess whether additional provisions should be made.</p> <p>We engaged our EY specialist to perform a review of the assumptions for a sample of assets. Our specialist reviewed the significant assumptions applied by management's specialist including the credit rating, the loss given default, the probability of default and the exposure at default. Our specialist then independently calculated the expected credit loss for each loan to test the reasonableness of the significant assumptions used by management with oversight from the audit team.</p> <p>We performed sensitivity analysis over the calculation of the expected credit loss by adjusting the probability of default and loss given default assumptions.</p> <p>We ensured that the disclosures associated with the expected credit losses are appropriate in the Group financial statements.</p>
<p>Key observations communicated to the Mayor</p> <p>The valuation of non-current financial assets held at amortised cost and the associated expected credit loss provision is supportable and consistent with the requirements of IFRS 9.</p>	

In the prior year, our auditor's report included a key audit matter in relation to the deconsolidation of London Treasury Liquidity Fund. This was a one-off significant transaction and therefore is not a key audit matter in 2024/25.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £75.0 million (2024: £68.1 million), which is 1% (2024: 1%) of gross expenditure including capital expenditure. We believe that gross expenditure using revenue and capital expenditure incurred on the provision of public services represents an appropriate basis for materiality since the main function of the Group is to provide services to the London community. This includes control of the cost base and complying with the Mayor's budget which is an important Key Performance Indicator within the organisation and for the users of the financial statements.

We determined materiality for the Authority (parent organisation) to be £73.5 million (2024: £68.0 million), which is 1% (2024: 1%) of gross revenue and capital expenditure.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2024: 50%) of our planning materiality, namely £37.5 million (2024: £34.1 million). We set performance materiality at this percentage due to the level of misstatements identified in the prior year.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the Group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, performance materiality allocated to the parent organisation was £33.8 million (2024: £30.6 million). Performance materiality allocated to other components was £7.5 million (2024: £6.8 million).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Mayor that we would report to the Authority all uncorrected audit differences in excess of £3.8 million (2024: £3.4 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Narrative Report set out on pages 3-18, other than the financial statements and our auditor's report thereon. The Chief Finance Officer is responsible for the other information contained within the Statement of Accounts 2024-25.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both the Mayor and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Authority and determined that the most significant are:
 - Local Government Act 1972;
 - Local Government Finance Act 1998 (as amended by the Local Government Finance Act 1992);
 - Greater London Authority Acts 1999 and 2007;
 - Local Government Act 2003;
 - The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended in 2018 and 2020;
 - Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (SI 2010/948);
 - Business Rate Supplements Act 2009;
 - The Local Government Finance Act 2012;
 - The Local Audit and Accountability Act 2014 (as amended); and
 - The Accounts and Audit Regulations 2015.

In addition, the Group and Authority has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection, employment legislation, tax legislation, general power of competence, procurement and health & safety.

- We understood how the Group and Authority is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, the head of internal audit, those charged with governance and the monitoring officer. We obtained and read documentation relating to the procedures to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our reading of the Group and Authority's Audit Panel papers and minutes and Mayoral Decisions. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. We also read correspondence with regulators and understood management's response where necessary. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.
- We assessed the susceptibility of the Group and Authority's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified misstatements due to fraud or error, incorrect classification of capital spend, and risk of fraud in revenue recognition to be our fraud risks.
 - To address our fraud risk over misstatements due to fraud or error we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.
 - To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Group and Authority's expenditure classified as Revenue Funded from Capital under Statute (REFCUS) to ensure the capitalisation criteria were properly met and the expenditure was genuine.
 - To address our fraud risk around revenue recognition we tested investment income recorded in London Treasury Liquidity Fund LP through to supporting evidence to ensure income recognised was genuine. We also tested income from property disposals at Greater London Authority Holdings Ltd through to supporting evidence to ensure income recognised was genuine.

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

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2024, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in November 2024, as to whether the Authority had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether the Authority had proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 (as amended) to satisfy ourselves that the Authority 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 Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Other matters we are required to address

We were appointed by Public Sector Audit Appointments on 6 December 2022 to audit the financial statements for the year ended 31 March 2024 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments is 13 years, covering the years ending 31 March 2013 to 31 March 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Authority and we remain independent of the Group and the Authority in conducting the audit.

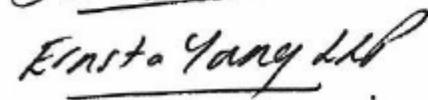
Certificate

We cannot formally conclude the audit and issue an audit certificate until the NAO, as group auditor, has confirmed that no further assurances will be required from us as component auditor of the Authority.

Until we have completed these procedures, we are unable to certify that we have completed the audit of the accounts in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice issued by the National Audit Office.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 85 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Authority, the Mayor, and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Reid (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
London

23 February 2026

Consolidated Comprehensive Income and Expenditure Statement

Restated ⁽¹⁾ 2023/24	Restated ⁽¹⁾ 2023/24	Restated ⁽¹⁾ 2023/24		2024/25	2024/25	2024/25	
Gross Exp* £000	Gross Income £000	Net Exp* £000		Note	Gross Exp* £000	Gross Income £000	Net Exp* £000
8,521	(5)	8,516	Assembly & Secretariat		9,166	(6)	9,160
8,102	(171)	7,931	Chief Finance Officer		12,126	(645)	11,481
5,021	(474)	4,547	Chief Officer		37,201	(812)	36,389
37,685	(1,521)	36,164	Corporate Resources & Business Improvement		35,607	(1,309)	34,298
225,258	(55,575)	169,683	Communities & Skills		273,600	(57,831)	215,769
348,725	(347,243)	1,482	Adult Education		348,462	(352,264)	(3,802)
142,544	(43,536)	99,008	Good Growth		190,598	(50,322)	140,276
1,217,036	(133,231)	1,083,805	Housing & Land		1,172,902	(118,026)	1,054,876
6,311	-	6,311	Mayor's Office		6,074	-	6,074
29,779	(3,955)	25,824	Strategy & Communications		37,802	(7,924)	29,878
101,638	(29,654)	71,984	Olympic Legacy		175,812	(27,265)	148,547
2,121	(5,565)	(3,444)	Funding London SMEs		3,216	(4,845)	(1,629)
14,092	(3,813)	10,279	Old Oak & Park Royal regeneration		19,724	(11,904)	7,820
126,644	(11)	126,633	Corporate & Group Items		24,852	(80)	24,772
2,273,477	(624,754)	1,648,723	Cost of Services		2,347,141	(633,233)	1,713,908
		3,683,951	Other Operating Expenditure	11			4,137,419
		10,182	Financing and Investment Income and Expenditure	12			(25,083)
		5,998	Impairment of financial instruments	50h			(10,955)
		105,783	Movement in the fair value of investment properties	26			14,296
		(5,889,566)	Taxation and Non-Specific Grant Income	13			(5,901,989)
		(434,929)	(Surplus) or Deficit on Provision of Services				(72,403)
		9,793	Share of the (surplus) or deficit on the provision of services of joint ventures	49			11,403
		(6,840)	Share of the (surplus) or deficit on the provision of services of associates	49			(5,066)
		-	Uncertain corporation tax liability				22,000
		6,618	Net tax expense/credit of subsidiaries				2,206
		(425,358)	Consolidated (Surplus) or Deficit				(41,861)
			Items that will never be reclassified to the surplus or deficit on the provision of services				
		(30)	(Surplus) or deficit on revaluation of non-current assets	43			123
		(35,371)	Remeasurements of the net defined benefit liability	21			61,209
		(1,079)	(Increase)/ decrease in Members Capital				3,547
		997	Deferred tax asset on net defined benefit liability and on revalued property, plant and equipment				(486)
		(35,483)	Other Comprehensive Income and Expenditure				64,393
		(460,841)	Total Comprehensive Income and Expenditure				22,532

1. The restatement of 2023-24 income and expenditure is explained in Note 1.

Authority Comprehensive Income and Expenditure Statement

Restated 2023/24 Gross Exp £'000	Restated 2023/24 Gross Inc £'000	Restated 2023/24 Net Exp £'000		Note	2024/25 Gross Exp £'000	2024/25 Gross Inc £'000	2024/25 Net Exp £'000
8,521	(5)	8,516	Assembly & Secretariat		9,166	(6)	9,160
97,102	(171)	96,931	Chief Finance Officer *		14,025	(645)	13,380
5,021	(474)	4,547	Chief Officer		37,201	(812)	36,389
37,685	(1,521)	36,164	Corporate Resources & Business Improvement *		38,029	(1,309)	36,720
225,258	(55,575)	169,683	Communities & Skills*		273,600	(57,831)	215,769
348,725	(347,243)	1,482	Adult Education		348,462	(352,264)	(3,802)
142,544	(43,536)	99,008	Good Growth*		190,598	(50,322)	140,276
1,175,717	(70,303)	1,105,414	Housing & Land		1,145,780	(55,688)	1,090,092
6,311	-	6,311	Mayor's Office		6,074	-	6,074
29,779	(3,955)	25,824	Strategy & Communications*		37,802	(7,924)	29,878
76,392	(5,481)	70,911	Corporate and Group Items		109,696	(38,099)	71,597
2,153,056	(528,264)	1,624,791	Cost of Services		2,210,433	(564,900)	1,645,533
		3,700,749	Other operating expenditure	11			4,137,419
		4,247	Impairment of financial instruments	50h			93,120
		(10,395)	Financing and investment income and expenditure	12			(50,527)
		(27,414)	Share of the associate's profit or loss				(5,066)
		(5,831,467)	Taxation and non-specific grant income and expenditure	13			(5,815,888)
		(539,489)	(Surplus) or Deficit on Provision of Services				4,591
			Items that will not be reclassified to the (Surplus) or Deficit on the Provision of Services				
		(30)	(Surplus) or deficit on revaluation of non-current assets	43			123
		(29,513)	Remeasurements of the net defined benefit liability	21			58,974
		(29,543)	Other Comprehensive Income and Expenditure				59,097
		(569,032)	Total Comprehensive Income and Expenditure				63,688

1. The restatement of 2023-24 income and expenditure is explained in Note 1.

The following directorates in the CIES are comprised of:

Chief Finance Officer - Finance, Treasury and Governance

Corporate Resources & Business Improvement - People Function, Facilities Management (FM), Technology Group (TG), Digital and Shared Services

Communities & Skills - Health, Skills & Employment, Communities & Social Policy, Children & Young Londoners and Sport

Good Growth - Culture, Environment, Planning & Regeneration, Economic Development and Transport & Infrastructure

Strategy & Communications - External Relations, Events, City Intelligence, London Resilience and Public Affairs & Strategic Partnerships

Consolidated Movement in Reserves Statement

2024/25	Note	Authority							Group					
		Non-Earmarked Reserves	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Usable Reserves	Unusable Reserves	Total Authority Reserves	Adj between Authority and Group Usable	Authority's Share of Subsidiaries' and Joint Venture's Reserves		Group Usable	Group Unusable	Total Reserves
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2024		(10,000)	(1,238,259)	(665,653)	(994,977)	(2,908,889)	4,193,347	1,284,458	(39,147)	(105,861)	331,291	(3,053,896)	4,524,638	1,470,742
IFRS 16 Adoption	1	-	-	-	-	-	-	-	-	4,822	-	4,822	-	4,822
Balance at 1 April 2024		(10,000)	(1,238,259)	(665,653)	(994,977)	(2,908,889)	4,193,347	1,284,458	(39,147)	(101,039)	331,291	(3,049,074)	4,524,638	1,475,564
Movement in reserves in year														
(Surplus) or deficit after tax		4,591	-	-	-	4,591	-	4,591	17,884	(59,270)	(5,066)	(36,795)	(5,066)	(41,861)
Tax on Other Comprehensive Income		-	-	-	-	-	-	-	-	-	(486)	-	(486)	(486)
Other Comprehensive Expenditure and Income		-	-	-	-	-	59,097	59,097	-	(23)	5,804	(23)	64,902	64,879
Comprehensive Expenditure and Income		4,591	-	-	-	4,591	59,097	63,688	17,884	(59,293)	252	(36,818)	59,350	22,532
Adjustment between authority accounts and group accounts		-	-	-	-	-	-	-	-	(130,074)	89,315	(130,074)	89,315	(40,760)
Other adjustments		-	1	-	-	1	-	1	-	-	27,995	1	27,995	27,996
Adjustments between accounting basis and funding basis under regulations	9	185,965	-	(148,504)	141,144	178,605	(178,605)	-	-	81,706	(81,709)	260,311	(260,314)	(3)
Net (Increase)/ Decrease before Transfers to Earmarked Reserves		190,556	1	(148,504)	141,144	183,197	(119,508)	63,689	17,884	(107,661)	35,853	93,420	(83,654)	9,766
Transfers (to)/from Earmarked Reserves	10	(190,556)	190,556	-	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in year		-	190,557	(148,504)	141,144	183,197	(119,508)	63,689	17,884	(107,661)	35,853	93,420	(83,654)	9,766
Balance at 31 March 2025		(10,000)	(1,047,702)	(814,157)	(853,833)	(2,725,692)	4,073,839	1,348,147	(21,263)	(208,700)	367,143	(2,955,654)	4,440,983	1,485,329

2023/24	Note	Authority							Group					
		Non-Earmarked Reserves	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Usable Reserves	Unusable Reserves	Total Authority Reserves	Adj between Authority and Group Usable	Authority's Share of Subsidiaries' and Joint Venture's Reserves		Group Usable	Group Unusable	Total Reserves
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2023		(10,000)	(1,160,543)	(645,043)	(734,442)	(2,550,028)	4,403,517	1,853,489	(51,308)	(210,933)	342,973	(2,812,268)	4,746,490	1,934,221
Movement in reserves in year														
(Surplus) or deficit after tax		(539,488)	-	-	-	(539,488)	-	(539,488)	12,161	130,042	(28,072)	(397,285)	(28,072)	(425,357)
Tax on Other Comprehensive Income		-	-	-	-	-	-	-	-	997	-	997	997	997
Other Comprehensive Expenditure and Income		-	-	-	-	-	(29,543)	(29,543)	-	(22)	(6,916)	(22)	(36,459)	(36,481)
Comprehensive Expenditure and Income		(539,488)	-	-	-	(539,488)	(29,543)	(569,031)	12,161	130,020	(33,991)	(397,307)	(63,534)	(460,841)
Adjustment between authority accounts and group accounts		-	-	-	-	-	-	-	-	-	-	-	2	2
Other adjustments		-	-	-	-	-	-	-	-	(3,437)	796	(3,437)	796	(2,641)
Adjustments between accounting basis and funding basis under regulations	9	461,772	-	(20,610)	(260,535)	180,627	(180,627)	-	-	(21,512)	21,512	159,115	(159,115)	-
Net (Increase)/ Decrease before Transfers to Earmarked Reserves		(77,716)	-	(20,610)	(260,535)	(358,861)	(210,170)	(569,031)	12,161	105,071	(11,683)	(241,629)	(221,851)	(463,480)
Transfers (to)/from Earmarked Reserves	10	77,716	(77,716)	-	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in year		-	(77,716)	(20,610)	(260,535)	(358,861)	(210,170)	(569,031)	12,161	105,071	(11,683)	(241,629)	(221,851)	(463,480)
Balance at 31 March 2024		(10,000)	(1,238,259)	(665,653)	(994,977)	(2,908,889)	4,193,347	1,284,458	(39,147)	(105,862)	331,290	(3,053,897)	4,524,639	1,470,742

Consolidated and Authority Balance Sheet

	Note	Authority 31 March 2025 £000	Group 31 March 2025 £000	Restated Authority 31 March 2024 £000	Restated Group 31 March 2024 £000
Property, plant & equipment	25	23,894	50,947	23,563	37,533
Right of Use Assets	35	20,968	35,220	-	-
Investment property	26	-	305,860	-	194,288
Intangible assets	28	902	903	1,781	1,796
Net pensions asset	21	-	-	57,196	59,643
Long term investments	30,50	10,476	354,509	10,539	419,755
Equity investment in limited partnership	30	-	2	-	2
Investments in associates	31	55,625	55,625	75,530	75,530
Long term debtors	33,50	1,075,891	270,617	996,228	230,642
Deferred tax asset		-	-	-	-
Finance lease receivables - non-current	34	272	28,565	-	9,513
Long Term Assets		1,188,028	1,102,248	1,164,837	1,028,702
Short term investments	50	20,058	52,449	110,176	157,646
Finance lease receivables - current	34	289	9,975	-	38,945
Inventories	37	-	219,907	-	357,344
Trade and other receivables	38	1,244,540	1,164,801	1,390,175	1,278,613
Cash and cash equivalents	39	2,601,069	2,640,099	2,524,524	2,680,776
Current tax asset		-	5,610	-	-
Current Assets		3,865,956	4,092,841	4,024,875	4,513,324
Short term borrowing	50,51	(530,520)	(408,251)	(462,996)	(435,263)
Short term creditors	40	(834,016)	(868,376)	(831,920)	(940,093)
Receipts in advance - revenue	16,40	(15)	(3,644)	(350)	(1,084)
Receipts in advance - capital	16,40	-	(8,054)	(2,301)	(21,056)
Lease liabilities - current	35	(2,052)	(3,758)	-	(12)
Provisions - current	41	(129,358)	(147,713)	(122,329)	(281,430)
Uncertain Corporation Tax Liability		-	(22,000)	-	-
Current Liabilities		(1,495,961)	(1,461,796)	(1,419,896)	(1,678,938)
Long term creditors		-	(14,636)	(3,842)	(24,122)
Provisions - non-current	41	(174,015)	(403,412)	(164,571)	(359,357)
Long term borrowing	50,51	(4,709,281)	(4,725,255)	(4,885,861)	(4,909,890)
Lease liabilities - non-current	35	(22,874)	(35,805)	-	(276)
Receipts in advance - revenue		-	(13,584)	-	(13,737)
Receipts in advance - capital		-	(17,806)	-	(18,359)
Deferred tax liability	52	-	(8,124)	-	(8,090)
Long Term Liabilities		(4,906,170)	(5,218,622)	(5,054,274)	(5,333,831)
Net Assets/(Liabilities)		(1,348,147)	(1,485,329)	(1,284,458)	(1,470,742)
Usable reserves		(2,725,692)	(2,955,654)	(2,908,889)	(3,053,896)
Unusable reserves	43	4,073,839	4,440,983	4,193,347	4,524,638
Total Reserves		1,348,147	1,485,329	1,284,458	1,470,742

Consolidated and Authority Cash Flow Statement

	Note	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Net surplus or (deficit) on the provision of services		(4,591)	41,861	539,488	425,358
Adjustments to net surplus or deficit on the provision of services for non-cash movements	44	192,568	164,342	(186,538)	(118,304)
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	45	(1,101,511)	(1,178,859)	(1,236,370)	(1,342,932)
Net cash flows from Operating Activities		(913,534)	(972,656)	(883,420)	(1,035,878)
Investing Activities	46	1,118,125	1,184,558	978,452	198,554
Financing Activities	47	(128,046)	(252,579)	(227,169)	(32,574)
Net increase or (decrease) in cash and cash equivalents		76,545	(40,678)	(132,137)	(869,897)
Cash and cash equivalents at 1 April	39	2,524,524	2,680,777	2,656,661	703,132
Cash and cash equivalents at 31 March	39	2,601,069	2,640,099	2,524,524	2,680,776

Notes to the Core Financial Statements

1. Changes in accounting policies, prior period restatements and reclassifications

New accounting policy

IFRS 16 Leases

The Group adopted IFRS 16 Leases effective 1 April 2024 in accordance with the transitional provisions in the Code for the adoption of IFRS 16. The Group has used the modified retrospective approach, as permitted by IFRS 16. As a result, comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4.

On transition, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under IAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the Authority's and LLDC's respective incremental borrowing rate at 1 April 2024. The corresponding right-of-use assets were measured at an amount equal to the lease liability, adjusted for accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application.

Greater London Authority

The impact of the adoption of IFRS 16 on the Authority's financial position as at 1 April 2024 is as follows:

- Increase in right-of-use assets: £23.3 million
- Increase in lease liabilities: £26.9 million - discounted using a weighted incremental borrowing rate of 5.26%.

The difference arises from a £3.2 million rent-free lease incentive being offset against the right-of-use asset on transition and the disposal of £0.4 million of a lease which has been sub-let.

The impact of the adoption of IFRS 16 on the Group's subsidiaries are

GLA Land and Property

GLAP has a lease with TfL for the lease of the Greenwich Car Park near the O2 stadium. GLAP, as intermediate lessor, has entered into a sub-lease with AnSCO Arena Ltd at a peppercorn rent for the same length of time as the head lease.

As the car park is a lease-in of more than 12 months duration and not low value, under IFRS 16 it will need to be brought on balance sheet as a Right of Use asset (ROU). However, the ROU asset will be derecognised immediately as a sub-lease has been entered into which leases out the asset for the remaining length of the head-lease. This sub-lease-out has been classified as a finance lease, because the sub-lease is for the entire remaining life of the underlying head lease.

A finance lease receivable will be recognised for the sub-lease. However, as the sub-lease is at peppercorn rent, there is nil income and nil offsetting finance lease receivable to recognise, there will therefore be a loss on the disposal of a ROU asset of £4.8 million which will debit retained earnings at 1 April 2024 and an offsetting £4.8 million lease liability for the head lease within current and non-current liabilities.

London Legacy Development Corporation

The impact of the adoption of IFRS 16 on LLDC's financial position as at 1 April 2024 is as follows:

- Increase in right-of- use assets: £31.7 million
- Increase in lease liabilities: £31.4 million - discounted using a weighted incremental borrowing rate of 5.45%.

Reconciliation of minimum lease payments at 31 March 2024 to minimum lease payments that were discounted to determine 1 April 2024 lease liabilities

	Operating Leases 31 March 2024	Lease Liabilities 1 April 2024	Lease Liabilities 1 April 2024	
	£m	£m	£m	£m
GLA	37.4	44.0	26.9	(17.1)

The minimum lease payments used in the 2023-24 operating lease disclosure for City Hall included lease payment up to the lease break option date of 2041. The lease liabilities at 1 April 2025 includes lease payments up to the lease end date in 2047 as a more prudent assumption, that the break option will not be exercised, has been made in the calculation of the lease liability.

LLDC	£m
Operating lease commitments disclosed under IAS 17 (31 March 2024)	444.0
Discounting using incremental borrowing rate at 1 April 2024	(412.3)
Adjusted commitments after discounting	31.4
Lease liabilities recognised at 1 April 2024	31.4

Explanation of difference:

The difference between the undiscounted operating lease commitments (£444.0 million) and the lease liability recognised (£31.4 million) arises from discounting future lease payments using the authority's incremental borrowing rate, as required by IFRS 16. LLDC has updated the amount disclosed in the 2023-24 accounts (£36.6 million) following additional reviews as part of the implementation of IFRS 16 resulting in an increased liability recognised under the Waterways lease.

Prior period restatement

CIES - Organisational restructure

The 2023-24 comparators, for directorate income and expenditure in the CIES, have been restated to reflect an organisational restructure effective from 1 April 2024. The main changes were as follows:

- the creation of a new Chief Finance Officer (CFO) directorate
- the creation of a new Corporate Resources and Business Improvement (CRBI) directorate
- the transfer of Finance, Governance and Treasury from Resources to the CFO directorate
- the transfer of People Function from Chief Officer to the CRBI directorate
- the transfer of Facilities Management, Technology Group and Shared Services from the Resources directorate to the CRBI directorate
- the transfer of Digital from the Strategy and Communications directorate to the CRBI directorate

The reclassifications are analysed in the table below:

Gross expenditure, gross income and net expenditure	Audited	Restated	-----Reclassifications-----										Total Movement	Checked		
	2023/24	2023/24	Finance	Governance	Treasury	People	Facilities	Technology	Shared	Digital						
	Net Exp	Net Exp	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000			£000	£000
Assembly & Secretariat	8,516	8,516	-													
Chief Finance Officer (CFO)	-	96,931	(96,931)	96,286	54	591									96,931	-
Chief Officer	9,588	4,547	5,041				(5,041)								(5,041)	-
Corporate Resources & Business Improvement (CRBI)	-	36,165	(36,165)				5,041	10,997	2,923	10,113	7,091				36,165	-
Communities & Skills	169,683	169,683	-													
Adult Education (AEB)	1,482	1,482	-													
Good Growth	99,008	99,008	-													
Housing & Land	1,105,414	1,105,414	-													
Mayor's Office	6,311	6,311	-													
Resources	120,964	-	120,964	(96,286)	(54)	(591)	(10,997)	(2,923)	(10,113)					(120,964)		
Strategy & Communications (S&C)	32,914	25,823	7,091								(7,091)			(7,091)		
Corporate and Group Items	70,911	70,911	-													
Cost of Services	1,624,791	1,624,791	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Income and expenditure incurred by the Old Oak and Park Royal Corporation (OPDC) is reported separately on the face of the CIES, previously it was reported within Corporate and Group Items. Reporting OPDC activity separately provides more transparency on the operational activity of the Old Oak and Park Royal Corporation as it moves from its planning to delivery phase. Net expenditure of £10.3 million in 2023-24 has been transferred from Corporate and Group Items line to Old Oak and Park Royal regeneration line.

Non-domestic rates (NDR) appeals provision

The non-domestic rates appeals provision was previously classified in full as a non-current liability. Following a reassessment of settlement patterns, based on actual outcomes over the preceding eight years, the Authority determined that a proportion of the provision is settled within the subsequent financial year. On average, this proportion is 43%. In accordance with IAS 8 paragraphs 41–42, the comparative figures have been restated to reclassify 43% of the provision as a current liability, with the remaining 57% presented as non-current, to more appropriately reflect the expected timing of settlement.

The prior year has been restated as follows:

Balance Sheet

Prior Year Restatement - Balance Sheet

	-----Authority-----			-----Group-----		
	Audited 31 March 2024 £000	Split of NDR Provision as Current & Non- Current	Restated in 2024-25 Accounts 31 March 2024 £000	Audited 31 March 2024 £000	Split of NDR Provision as Current & Non-Current	Restated in 2024- 25 Accounts 31 March 2024 £000
Provisions - current	(200)	(122,129)	(122,329)	(159,301)	(122,129)	(281,430)
Current Liabilities	(1,297,767)	(122,129)	(1,419,896)	(1,556,809)	(122,129)	(1,678,938)
Provisions - non-current	(286,700)	122,129	(164,571)	(481,486)	122,129	(359,357)
Long Term Liabilities	(5,176,403)	122,129	(5,054,274)	(5,455,960)	122,129	(5,333,831)

Provisions - Non-Domestic Rates Appeals

	2023-24 Audited Accounts	Restated 2023-24 Accounts in 2024-25 Accounts	
	Non-Current	Non-Current	Current
	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000
Balance at 1 April	(386,397)	(386,397)	-
Additional provisions made in year	(108,035)	(62,014)	(46,021)
Amounts used in year	207,732	-	207,732
Transfer from non-current to current	-	283,840	(283,840)
Balance at 31 March	(286,700)	(164,571)	(122,129)

2. Accounting Policies

- i. Code of Practice
- ii. Basis of Accounting
- iii. Basis of Preparation of Group Accounts
- iv. Going Concern
- v. Prior Period Adjustments, Changes in Accounting Policies and Errors and Estimates
- vi. Exceptional Items
- vii. Events after the Balance Sheet Date
- viii. Accruals of income and expenditure
- ix. Government Grants and Third-Party Contributions
- x. Council Tax Accounting
- xi. Non-domestic rates
- xii. Crossrail Business Rate Supplement
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- xix. Foreign Currency Translation
- xx. Interests in Companies and Other Entities
- xxi. Inventories
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- xxvii. Provisions, Contingent Liabilities and Contingent Assets
- xxix. Reserves
- xxx. VAT
- xxxi. Corporation Tax
- xxxii. Minimum Revenue Provision

i. Code of Practice

The Statement of Accounts summarises the Greater London Authority's ("GLA"/ "the Authority") and the GLA Group's ("the Group") transactions for the 2024-25 financial year and its position at 31 March 2025. As required by the Accounts and Audit (England) Regulations 2015, the Authority has prepared the 2024-25 Statement of Accounts in accordance with proper accounting practices. These practices primarily comprise the CIPFA/LASSAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 ("the Code") and the International Financial Reporting Standards ("IFRS") adopted by the United Kingdom ("Adopted IFRS").

ii. Basis of Accounting

The accounts are prepared as at 31 March.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Where items are considered significant by virtue of their size or nature, they are disclosed separately in the financial statements in order to aid the reader's understanding of the Authority and Group's financial performance.

iii. Basis of Preparation of Group Accounts

The Code requires local authorities with, in aggregate, material interests in subsidiary and associated companies and joint ventures, to prepare group financial statements.

The Group's financial statements incorporate the financial statements of the Greater London Authority and its subsidiaries prepared as at the year-end date. Where significant, adjustments are made to the financial statements of the subsidiaries to bring the accounting policies used in line with other GLA Group entities.

Subsidiaries

The Group accounts presented with the Authority's accounts consolidate the individual accounts of the Greater London Authority and its subsidiaries. A subsidiary is an entity over which the Authority exercises or has the potential to exercise control. The Authority controls an entity when the Authority is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenditure, assets and liabilities of subsidiaries have been consolidated on a line-by-

line basis, except for London Travel Watch, London Treasury Limited and London Power Co. Limited which have been excluded on materiality grounds. Material intragroup transactions and balances between the remaining GLA Group entities are eliminated.

On 31 March 2025, the Greater London Authority Holdings Limited (GLAH) acquired Stratford East London Holdings Limited (SELH) and London Stadium LLP (LS LLP) (and its subsidiary LS185 Limited), from the London Legacy Development Corporation. (LLDC). All the aforementioned entities are GLA group members, so the transfers did not result in any change to the overall GLA group membership.

GLA will consolidate the LS LLP and LS185 Ltd. directly into the GLA group accounts. SELH will not be consolidated on materiality grounds. The LS LLP Members Agreement sets out in the list of Reserved Matters the decisions requiring the Mayor’s approval or the approval of a GLA Chief Finance Officer. The Articles of Association of SELH and of LS185 also include these reserved matters. Key decisions such as appointments to and dismissals from the board of the aforementioned entities are made by the Mayor as is the approval of the annual business plan. The GLA is also exposed to the variable returns of LS LLP as it provides funding to cover any budget shortfalls. GLAH does not play a role in key decision making of LS LLP or SELH.

The Authority’s subsidiaries are:

Subsidiaries and sub-subsidiaries	Principal Activities
Greater London Authority Holdings Limited (GLAH)	Holding company
◦ GLA Land and Property Limited (GLAP)	Development, sale and rental of land and buildings
◦ London Power Co. Limited (LPC)*	Energy services
◦ London Treasury Limited (LTL)*	Fund management services
◦ LTLF GP Limited (subsidiary of LTL)*	Fund management services
◦ Stratford East London Holdings Limited (SELH)*	Holding company and member of E20 Stadium LLP
◦ London Stadium LLP (E20) (GLAH & SELH are members)	Running the London Stadium
◦ London Stadium 185 Limited (LS185) (subsidiary of London Stadium)	London Stadium operator
London Legacy Development Corporation (LLDC)	Regeneration of the Queen Elizabeth Olympic Park
Stratford East London Developments Limited (SELD)	Property development
◦ Stratford East London Partners LLP	SELD 50/50 joint venture with Ballymore Stratford East (2)
◦ Stratford Waterfront Management Co Ltd	Manage the public realm of Stratford Waterfront
◦ Stratford Waterfront Retail Management Company Limited	Sub-letting of retail units on the Stratford Waterfront
◦ Pudding Mill Legacy Developments Limited	Property development
Old Oak and Park Royal Development Corporation (OPDC)	Regeneration of Old Oak and Park Royal

◦ Old Oak Wharf Limited	Other letting and operating of own or leased real estate
◦ Old Oak Wharf Holdings Limited	Holding company
◦ Sarastro Holdings Limited	Other letting and operating of own or leased real estate
◦ Park Score Limited	Other letting and operating of own or leased real estate
◦ Regency PR2 Limited	Holding company
◦ Regency PR Propco Limited	Buying and selling of own real estate
SME Wholesale Finance Limited (SMEWFL) t/a Funding London	Financing of small and medium businesses
◦ London Co-Investment Fund LLP (LCIF)	Financing of small and medium businesses
◦ Greater London Investment Fund Limited (GLIF)	Financing of small and medium businesses
London Travel Watch (LTW)*	Transport watchdog

*On materiality grounds, LTL, LTLF GP, LTW, SELH and LPC are not consolidated in the GLA's group accounts.

Subsidiaries acquired in 2024-25

In 2024-25 OPDC acquired 100% of the share capital of three subsidiaries.

Park Score Limited

On 6 June 2024, OPDC acquired 100% of the share capital of Park Score Ltd, a private limited company which owns land which is leased to RATP to run as a bus garage.

Regency PR2 Limited and Regency PR Propco Limited

In 2024-25 OPDC acquired 100% of the share capital of Regency PR2 Limited and Regency PR Propco Limited. Regency PR2 Limited is a holding company with no significant trading.

Investments in associates and joint venture

GLA single entity policy

Associates are accounted for using the equity method as permitted in IAS 27 Separate Financial Statements and as described in IAS 28 Investments in Associates and Joint Ventures.

Group policy

Joint ventures are accounted for using the equity method and are initially recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the investee after the date of acquisition. The Group's share of the investee's profit or

loss is recognised in the Group's profit or loss.

When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount is reduced to £nil and the remaining loss is offset against any loans to the investee after which any recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an investee.

Associates are accounted for using the equity method, if the net assets of the associates are material to the Group.

London Treasury Liquidity Fund LP (the Fund) is accounted for as an associate. The GLA is one of six partners but the GLA exerts significant influence over the key financial and operating activities of the Fund. For additional information on this judgement see note 5 Use of estimates and judgements, section 5.7 London Treasury Limited Fund LP (LTLF LP).

Climate Change Considerations

In preparing the financial statements, management has considered the impact of climate change, particularly in the context of the disclosure made in the Narrative Report and the sustainability goals. Management has considered the impact of climate change on a number of key estimates within the financial statements including estimates of future cashflows, the useful economic life of PPE, the impairment of PPE, inventory and provisions. The assessment of the London Stadium LLP onerous contracts provision includes assumptions on the cost and consumption of utilities, the latter reflecting reductions as a result of investment in energy reduction/sustainability measures at the Stadium (e.g., LED lights).

These considerations did not have a material impact on the financial reporting judgements and estimates, consistent with the assessment that climate change is not expected to have a significant impact on the Group's going concern assessment to the 31 March 2027.

iv. Going Concern

The financial statements have been prepared on a going concern basis as the GLA's statutory Chief Finance Officer considers that the activities of the GLA and the GLA Group will continue in operational existence to 31 March 2027 following the date of the auditor's report, and it will be able to meet its liabilities as they fall due for payment.

GLA reserves

The GLA's general fund balances, at 31 March 2025 include: non-earmarked reserves totalled £10.0 million and revenue earmarked reserves totalled some £1,047.7 million (£524.4 million Core GLA and £523.3 million in respect reserves available to support the wider GLA Group). In addition, there are substantial capital useable reserves (totalling £1,667.9 million) available to support capital expenditure. This means there is

a total of £2,725.7 million useable reserves for the Authority to draw upon. Whilst there are wider Group reserves, the GLA's entity level reserves would be the first resource to deal with any financial challenges and account for the majority of the available balances. The approved GLA budget for 2025-26 and indicative budgets for later years reflect a strong level of projected reserves.

At 31 March 2025, the Authority's General Fund reserve (non-earmarked) totals £10 million. This remains at the minimum level of General Fund balances as set by the Chief Finance Officer. This reserve is not expected to be utilised during the 2025-26 financial year.

Earmarked reserves for GLA Core (excluding Revenue Grants Unapplied reserve £157 million) total £367 million. It is anticipated that at 31 March 2026, earmarked reserves will total £338 million for GLA Core (excluding Revenue Grants Unapplied reserve £27 million).

Forecast cash balances

The GLA's projected entity cashflow forecast remains strong, with cash balances forecast at £2.1 billion at the end of 2025-26. It is currently anticipated that cash balances will remain strong to the end of 2026-27.

Authority funding

There are risks associated with managing prior year and current year volatility in revenues – these risks increased following the pandemic and the delays in signing off billing authority accounts (including their collection funds) which continued to have ongoing impacts in 2024-25. The GLA has to plan the use of its share of Business Rates income based on estimated returns from all of the London Boroughs and the City of London Corporation, as budget plans have to be published before the audited final returns can be provided. As a result, there is always an inherent risk that the returns are not as high as anticipated, leading to deficits in the sums available. Due to delays in signing off accounts across many local authorities, there is an additional layer of risk that assumptions may lead to overestimates of available resources. In order to manage this uncertainty, the GLA maintains a Business Rate Reserve.

The GLA received over £5.2 billion per annum in business rates and council tax in 2024-25 gross of tariff and levy payments to the government and section 31 grants received from the government for reliefs (e.g. retail, hospitality and leisure) and multiplier cap compensation. This increased to just under £5.5 billion based on the estimates set out in the Mayor's budget for 2025-26.

The GLA Business Rate Reserve exists to manage volatility in business rates and council tax income. This has a target balance of around £104 million by March 2027 (allowing for inflation) equivalent to the maximum in year shortfall the GLA would need to meet were it to be in a safety net position within the rates retention system.

The actual balance on the BRR at 31 March 2025 was £325.1 million. This is £25 million above the £301.5 million balance forecast in the Mayor's Final Budget for 2025-26. This balance is now forecast to be c£160 million above the target balance by 2026-27 after allowing for expected drawdowns approved in the 2025-26 including funding for the Mayor's universal free school meals programme for primary school

children. This reflects caution that was built into the assumption underlying the budget forecasts due to the wider risks. If these risks were to crystallise, the Business Rate Reserve balance would be utilised to bridge the period during which budget plans would need to be revised. At that time a review would need to be undertaken to start to reduce or defer spend on discretionary activity.

Much of the GLA's day to day activities are funded through other mechanisms, such as the grants for Housing and Adult Education provision, so this risk would impact the core funding only.

Group financial risks and uncertainties

The government is implementing reforms to local government funding from 2026-27 including a multi-year settlement, a review of needs and distribution and a business reset alongside significant changes to business rates taxation (i.e. the replacement of the two existing multipliers by five) and a national revaluation of non-domestic properties in England. The precise impacts of these changes on the GLA's funding are not yet certain but they will need to be managed proactively through the 2026-27 budget process.

Crossrail – Elizabeth Line

The key elements of the GLA's loan repayments relate to Crossrail – now called the Elizabeth Line – and the Northern Line Extension to Battersea Power Station. The costs associated with this borrowing are recovered via special funding mechanisms, i.e. the Crossrail Business Rate Supplement and the Mayoral Community Infrastructure Levy. There is a risk that over time these will not yield sufficient income to cover the costs of borrowing. If that were the case, there are mechanisms by which the time limited arrangements can be extended until the debt is repaid. Some further detail on these arrangements is provided below.

The balance of the GLA's residual borrowing for the Crossrail project is c£3.8 billion as at 31 March 2025. The interest and principal repayment of this borrowing is being funded from Crossrail Business Rates Supplement and Mayoral Community Infrastructure Levy (Note24). In 2025-26 combined revenues from MCIL and BRS are budgeted to be over £370 million – which exceeds the budgeted capital financing costs of c£120 million by around £250 million. This surplus is set aside to repay the GLA's remaining Crossrail debt.

Northern Line Extension

The GLA agreed in 2014 to make a £1 billion contribution towards the Northern Line Extension (NLE), primarily funded using borrowing from the European Investment Bank and other sources. The extension to Nine Elms and Battersea Power station opened in September 2021. This borrowing is being financed and repaid using the business rates growth in the local designated area and by local developer contributions collected by the London Boroughs of Lambeth and Wandsworth. The GLA's residual debt associated with the project at 31 March 2025 was c£0.9 billion. In 2024-25 there was a net revenue surplus of £20.5 million on the NLE revenue account which has been transferred to the NLE volatility reserve to fund the repayment of the remaining debt. The business rates growth from the local designated area has increased significantly in the 2024-25 outturn (i.e. an additional £26.2 million compared to the budgeted estimate made in January 2024) as the

assessments arising from the opening and expansion Battersea Power station development are added to the valuation list. Further growth is anticipated following the opening of the additional western station tube entrance at Battersea Power station in summer 2025 which will lead to additional commercial development over and adjacent to the site.

Functional Bodies

The LFC, MOPAC and TfL are ordinarily required to meet any additional unforeseen expenditure themselves although volatility in council tax and business rates income from the Mayor is managed initially through the GLA's business rates reserves. Where these are a consequence of Mayor policy announcements, GLA funding will be identified in advance of such an announcement. Additional sums were provided in the Mayor's 2024-25 budget to fund additional programmes and finance the ongoing impact of Mayor's 2024 transport fares freeze. In the Mayor's 2025-26 budget additional sums were identified from council tax and business rates to support the LFC's and MOPAC's budget and reduce the level of savings required. TfL also received additional funding for projects including to support its costs associated with the Oxford Street transformation project.

Mayoral Development Corporations

An area of risk remains around the support to the LLDC long term plan, which has been impacted by volatility in the wider economy. LLDC has a borrowing limit capped at £550 million. If there is a need to spend more than this can support, additional resources must be provided from within the GLA group, effectively from Business Rates. 2024-25 is forecast to be the peak borrowing period in the LLDC plan. Once the East Bank development has been completed, expected during the second quarter of 2025-26, the probability of additional support being required will significantly diminish.

The GLA's cash balances continue to mean that all LLDC cashflow requirements during the going concern period can be met. The Capital Funding Reserve for LLDC has a forecast balance of £12.8 million at the end of March 2027. The adequacy of this reserve is assessed regularly to ensure that sufficient resources are in place to fund cost pressures arising from the completion of the East Bank development and other emergent risks.

OPDC continues to work closely with government to regenerate the Old Oak and Park Royal Opportunity Area, one of the largest regeneration schemes in the UK. As the Local Planning Authority, they have land assembly, housing and infrastructure delivery powers that span the area. In 2024-25, OPDC commenced acquiring private land to ensure full control of the site. The £100 million capped borrowing limit in 2024-25 will increase to £225 million in 2025-26. Similar to LLDC, if there is a need to spend more than this can support, additional resources must be provided from within the GLA group, effectively from Business Rates. OPDC and the GLA have a shared understanding of the future financial position relating to this borrowing via OPDC's long term financial model which is subject to regular review and used to inform its annual budget submission to the Mayor.

The GLA's cash balances continue to mean that all OPDC cashflow requirements during the going concern period can be met. The OPDC flexibility reserve has a forecast balance of £11.6 million at the end of March 2027. The adequacy of this reserve is assessed regularly to ensure that sufficient resources are in place to fund revenue cost pressures arising from the regeneration of the Old Oak and Park Royal Opportunity Area and other emergent risks.

GLA Land and Property Limited

GLA Land and Property Limited (GLAP) made a profit after tax for the period of £31.1 million (£2.5 million at 31 March 2024) mainly driven by profits on land disposals. GLAP's balance sheet's net assets currently total £224.4 million (£193.3 million at 31 March 2024) and cash flows forecast at £86 million at 31 March 2026 and £91 million at 31 March 2027. Further to this, the Company's liquidity position is assured as the GLA has provided written assurances to the company's directors that, so long as the company is a subsidiary of the GLA, the GLA will continue to make sufficient monies available to the Company to enable it to meet all its debts as they fall due.

Conclusion

Our cash flow forecasting and assessment of the adequacy of our liquidity position demonstrates positive cash balances throughout the going concern period, and no expectation of any additional external borrowing being required. This covers the period to 31 March 2027.

Having assessed the funding challenges and other uncertainties faced by the GLA Group over the period to the 31 March 2027, the Mayor considers it appropriate to adopt the going concern basis in preparing these financial statements given the Group's liquidity and reserves position and the ongoing action taken by the Authority to reduce spend commensurate with the funding pressures.

v. Prior Period Adjustments, Changes in Accounting Policies and Errors and Estimates

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of a transaction, other events and conditions on the Group's financial position or financial performance. Where a change is made, it is applied retrospectively as if the new policy had always been applied (unless stated otherwise), by adjusting the comparative amounts for the prior period and the opening balances, if the adjustments have had a material effect on the financial position at the beginning of the comparative period. See note 1.

Material errors discovered in prior period figures or reclassifications are corrected retrospectively by adjusting the comparative amounts for the prior period and the opening balances, if the adjustments have had a material effect on the financial position at the beginning of the comparative period, see note 1.

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.

vi. Exceptional Items

When items of income and expense are material, their nature and amount are 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 Group's financial performance.

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error.

vii. Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue (see Note 6). Two types of events can be identified:

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

viii. 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:

- Revenue is recognised when the Group has a contract with a customer and a performance obligation has been satisfied, at the transaction price allocated to that performance obligation. Where payment is deferred, the transaction price is adjusted for the time value of money.
- Development properties and land sales - Revenue is recognised in the income statement when control has been transferred to the purchaser. It is considered that control passes on legal completion. Revenue is recognised at the fair value of the consideration received or receivable on legal completion.
- Contributions from East Bank partners towards the cost of constructing their buildings will not be recognised until the buildings are

complete and handed over to the partners. Any revenue received in advance of that will be treated as deferred income on the balance sheet.

- Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.
- Supplies are recorded as expenditure when they are consumed - where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Election Expenditure - The Authority works with Local Authorities to deliver the Mayoral and Assembly Elections. Expenditure directly attributable to the delivery of the Mayoral and Assembly Elections are reimbursed to Local Authorities on the submission of claims for expenditure incurred.
- Property held for sale during the normal course of business is recorded as expenditure when control transfers to the purchaser. It is considered that control passes on legal completion. The properties are carried as inventories on the Balance Sheet, see Inventories accounting policy xxii for further details.
- 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
- Interest receivable on investments and payable on borrowings are accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract; and
- Where revenue and expenditure have been recognised but the cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance, is applied and the resulting changes to impairment loss is written off to the Comprehensive Income and Expenditure Statement (CIES).

ix. Government Grants and Third-Party Contributions

Revenue grants

Whether paid on account, by instalments or in arrears, revenue government grants and third-party revenue contributions and donations are recognised as due to the Group when there is reasonable assurance that:

- the Group will comply with the conditions attached to the payments; and
- the revenue grants or contributions will be received.

Amounts recognised as due to the Group are not credited to the CIES until conditions, attached to the revenue grant or contribution, have been satisfied. Conditions are stipulations that specify how the revenue grant should be used by the Group, and which if not met require the grant to be returned to the transferor.

Monies advanced as revenue grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors (receipts-in-advance). When conditions are satisfied, the revenue grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the CIES.

Where revenue grant income has been received that has no conditions attaching to it, but where the grant has yet to be applied and there are restrictions as to how the monies are to be applied, the Group recognises this income in the CIES and then earmarks it until it is applied.

Capital grants

Capital grants recognised as due are not credited to the CIES until conditions attached to the capital grant have been satisfied. They are carried in the Balance Sheet as creditors (receipts-in-advance) until the conditions have been met.

Where capital grants are credited to the CIES, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

x. Council Tax Accounting

Within the bounds of Greater London, the 32 London Boroughs and the City of London Corporation are responsible for collecting and distributing council tax income both for themselves and on behalf of the GLA. They are known as “billing authorities” and the GLA, drawing funding from them, is known as a “preceptor” and is the only major preceptor on these authorities.

Since the collection of council tax is in substance an agency arrangement, the cash collected by the boroughs and the City of London Corporation from council tax debtors belongs proportionately to them and the GLA. A debtor/creditor position between these billing authorities and the GLA is recognised since the net cash paid to the GLA in the year will not be its share of cash collected from council taxpayers.

The council tax income included in the CIES for the year is the accrued income for that year. In other words, the sum due to the precepting authority in respect of that year only. The amount included in the General Fund is this sum plus the proportionate share of any surplus or deficit arising from previous financial years. The difference between the two sums is managed by a transfer to or from the Collection Fund Adjustment Account in the Movement in Reserves Statement. These transactions are laid out in statute.

xi. Non-domestic rates (or Business Rates)

In their capacity as billing authorities, the 32 boroughs and the City of London Corporation, act as the Greater London Authority and the Secretary of State's agent: they collect and distribute non-domestic rates income on behalf of themselves, the Secretary of State and the GLA in proportion to the agreed shares set out in the Non-Domestic Rating (Rates Retention) Regulations 2013.

Since the collection of non-domestic rates is in substance an agency arrangement, the cash collected by the boroughs and the City of London Corporation from non-domestic rates debtors belongs proportionately to them, the GLA and, for prior years, notionally in respect of their centrally retained share the Secretary of State. A debtor/creditor position between these billing authorities and the GLA is recognised since the net cash paid to the GLA in the year will not be its share of cash collected from non-domestic rate payers.

The non-domestic rates income included in the CIES for the year will be the GLA's share of accrued income for that year. The sum included in the General Fund is this sum plus the proportionate share of any surplus or deficit arising from previous years. The difference between the two sums is managed by a transfer to or from the Collection Fund Adjustment Account in the Movement in Reserves Statement (see Note 15). These sums are laid out in statute.

The amounts reflected in these draft accounts are based on official returns (NNDR3) (and amended versions) approved by section 151 officers, which are the statutory Chief Finance Officers within the billing authorities. These statements include the sums officially submitted to MHCLG (and GLA) by the date at which the entries in the draft accounts were prepared. Billing authorities may make further amendments, which, if submitted in good time, will be included in the audited GLA Group accounts.

xii. Crossrail Business Rate Supplement

The GLA is empowered to levy a Business Rate Supplement (BRS) under the Business Rate Supplements Act 2009. The revenue collected can only be applied in respect of Crossrail related expenditure.

BRS income is presented within "Taxation and Non-Specific Grant Income". As the GLA is required to refund BRS levies that have not been used to finance the project (e.g. where the imposition of the Business Rate Supplement has come to an end) any BRS income is therefore subject to a condition, and therefore all BRS receipts are initially recognised as a creditor.

The GLA receives amounts in respect of BRS from billing authorities during the year based on a provisional estimate at the start of the year net of allowable costs. After the financial year end, each billing authority calculates the actual amount collected using a different methodology, as specified in section 7 to Schedule II of the BRS Transfers to Revenue Business Rate Supplements (Transfers to Revenue Accounts) (England) Regulations 2009. A debtor or creditor is raised depending on whether the amount calculated as having been collected is higher or lower than the amount paid in instalments based on the provisional estimate.

The GLA recognises its BRS revenue as income in the CIES only at the point the conditions it has set out in the Crossrail BRS final prospectus published in January 2020 are satisfied.

The GLA recognises all revenue expenditure relating to its contribution towards the Crossrail project as expenditure in the relevant service revenue account(s) as it is incurred. Its contributions paid to Transport for London in respect of Crossrail have been recognised as Revenue Expenditure Funded from Capital under Statute (“REFCUS”).

Interest payable on the associated borrowing is recognised within financing and investment income.

Further details on the BRS can be found in note 55. The Crossrail revenue account sets out the sums receivable in respect of 2023-24 in BRS and how they have been applied.

xiii. Community Infrastructure Levy (CIL)

The Authority has elected to charge a Mayoral CIL (MCIL). The levy is charged on new builds (chargeable developments for the Authority) with appropriate planning consent. Under existing legislation, the GLA’s CIL may only be applied to fund transport projects and the income from the levy is currently being used to fund Crossrail.

The Authority is the chargeable body and the London Boroughs and City of London Corporation – the 33 collecting authorities – collect the levy on the Authority’s behalf. Transport for London manages the administration of CIL on behalf of the GLA under an agency arrangement.

Prior to 2019-20 MCIL income was paid into the Crossrail Sponsor Funding Agreement Account held by Transport for London before being applied by it to fund the Crossrail project.

From 2019-20 the GLA has been permitted under regulations approved by Parliament (The Community Infrastructure Levy (Amendment) (England) Regulations 2019) to apply MCIL for capital financing purposes for Crossrail. MCIL income retained by GLA from 1 April 2019 is now reported as part of the Crossrail revenue account which includes the statutory BRS revenue account. This ensures that all the funds received and applied to fund the GLA’s contributions to Crossrail and its associated financing costs are reported in one account. The Community

Infrastructure Levy (Amendment) (England) Regulations 2021 laid before Parliament in March 2021 following the November 2020 Crossrail funding deal permit the Mayor to apply MCIL revenues to finance and repay the GLA's Crossrail debt up to 31 March 2043.

CIL is received without outstanding conditions; it is therefore recognised at the commencement date of the chargeable development in the CIES in accordance with the accounting policy for government grants and contributions set out above. CIL charges will be largely used to fund capital expenditure. However, a small proportion, of the charges, has been used to fund revenue expenditure. Further details on the CIL can be found in note 24.

The Crossrail revenue account sets out the sums receivable in respect of 2024-25 from MCIL and how they have been applied to meet the GLA's expenditure on Crossrail including financing costs on its debt.

xiv. Charges to Revenue for Non-Current Assets

Services and support services are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off and
- amortisation of intangible assets attributable to the service.

The Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Authority in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the annual contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

xv. Employee Benefits

Benefits Payable during Employment

Short-term employee benefits are those due to be settled within twelve months of the year-end. They include such benefits as salaries, other remuneration, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Group. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the

year-end that employees can carry forward into the next financial year. The accrual is made at the salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Group to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant service in the CIES at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Group 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 the 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.

Post-Employment Benefits

Group employees are members of the following pension schemes:

- *Local Government Pension Scheme (LGPS)*: Authority, LLDC and OPDC staff
- *AVIVA*: GLA elected members

The Local Government Pension Scheme

The Local Government Pension Scheme in respect of GLA, LLDC and OPDC employees is administered by the London Pensions Fund Authority (LPFA) and is accounted for as a defined benefits-scheme:

- The liabilities of the LPFA pension scheme attributable to the Authority, LLDC and OPDC are included in the balance sheet on an actuarial basis using the projected unit 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.
- Liabilities are discounted to their value at current prices, at a discount rate of 5.9%. An estimate of the Authority's future cashflows is made using notional cashflows based on an estimated service liability of 20 years. These estimated cashflows are then used to derive a Single

Equivalent Discount Rate (SEDR). The discount rate derived is such that the net present value of the notional cashflows, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve (where the spot curve is assumed to be flat beyond the 30-year point). The assets of the LPFA pension fund attributable to the Authority, LLDC and OPDC are included in the Balance Sheet at their fair value as follows:

- Quoted securities- bid value to bid value basis
- Unquoted securities-professional estimate
- Unitised securities- bid value to bid value basis
- Property-market value

The change in the net pensions asset/liability is analysed into the following components:

- Service cost comprising:
 - current service cost – the increase in liabilities, as a result of years of service earned this year-allocated in the CIES to the services for which the employees worked
 - past service cost – the increase in liabilities as a result of a scheme amendment or curtailment 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; and
 - interest on the net defined benefit asset/liability, i.e. net interest expense for the Authority – the change during the period in the net defined benefit asset/liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the CIES – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit asset/liability at the beginning of the period – taking into account any changes in the net defined benefit asset/liability during the period as a result of contribution and benefit payments.
- Remeasurements comprising:
 - the return on plan assets – excluding amounts included in the interest on the net defined benefit asset/liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure; and
 - actuarial gains and losses – changes in the net pensions asset/liability that arise because events have not coincided with the assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the

Pensions Reserve as Other Comprehensive Income and Expenditure.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable to the pension fund in the year, not the amount calculated according to the 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 fund 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 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.

Discretionary benefits

Discretionary awards of retirement benefits are sometimes made in the event of early retirements. Any liabilities estimated to arise as a result of an award to a member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

Greater London Authority AVIVA master trust scheme

The Greater London Authority AVIVA master trust scheme is a defined contribution scheme open to the Mayor and Assembly Members. As it is a defined contribution scheme no liability for future payments is recognised in the balance sheet and revenue is charged with the employer's contributions payable in the year. The scheme commenced on 1 March 2018.

Allianz Pensions Scheme (Brussels staff)

On 1 January 2020, Brussels staff pensions transferred from the LGPS to a group insurance scheme operated by Allianz. This is a defined contributions scheme open solely to the one staff member employed in the Authority's Brussels office. As it is a defined contribution scheme, no liability for future payments is recognised in the balance sheet and revenue is charged with the employer's contributions payable in the year.

xvi. Fair Value

The Group measures some of its non-financial assets such as investment properties and some of its financial instruments such as equity mortgages at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between knowledgeable market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in its absence, in the most advantageous market for the asset or liability.

The Authority measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests.

When measuring the fair value of a non-financial asset, the authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The authority uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the authority's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

xvii. Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Group becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are 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 estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Group has, 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.

Where premia and discounts have been charged to the CIES, regulations allow the impact on the General Fund Balance to be spread over future years. Where material, the Group has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the CIES to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cashflow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVTPL), and
- fair value through other comprehensive income (FVOCI)

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Group becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the CIES (CIES) for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Group, 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.

However, the Group has made a number of loans to organisations at less than market rates (soft loans). When soft loans are made, a loss is recorded in the CIES (debited to the appropriate service) for the present value of the interest that will be foregone over the life of the instrument, resulting in a lower amortised cost than the outstanding principal.

Interest is credited to the Financing and Investment Income and Expenditure line in the CIES at a marginally higher effective rate of interest than the rate receivable from the organisations, with the difference serving to increase the amortised cost of the loan in the Balance Sheet. Statutory provisions require that the impact of soft loans on the General Fund Balance is the interest receivable for the financial year – the reconciliation of amounts debited and credited to the CIES to the net gain required against the General Fund Balance is managed by a transfer

to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Any gains and losses that arise on the derecognition of a financial asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model

The Authority recognises expected credit losses on all of its financial assets held at amortised cost and at FVOCI, either on a 12-month or lifetime basis. For trade receivables and finance lease receivables, the Authority applies the simplified approach which allows entities to recognise lifetime expected losses on trade receivables without the need to identify significant increases in credit risk.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

The Authority has advanced loans to its subsidiaries and the Group has a portfolio of loans advanced to property developers. Losses have been assessed on an individual instrument basis. The code excludes amounts receivable from local authorities unless those amounts are credit impaired. At balance sheet date no loans to local authorities are credit impaired.

The agreements and the financial standing of the counterparties are reviewed annually by an external credit rating agency and credit risk grades are determined using qualitative and quantitative factors that are indicative of risk of default and are aligned to external credit ratings definitions from Moody's. Expected credit losses are calculated as an unbiased and probability-weighted estimate using an appropriate probability of default, adjusted to take into account a range of possible future economic scenarios, and applying this to the estimated exposure at the point of default after taking into account the value of any collateral held.

Where loans are secured via collateral, an estimate of loss given default of 35% (35% at 31 March 2024) is applied, for unsecured loans an estimate of loss given default of 45% (45% at 31 March 2024) is applied.

At initial recognition, allowance is made for expected credit losses resulting from default events that are possible within the next 12 months (12-month expected credit losses). In the event of a significant increase in credit risk since origination, allowance is made for expected credit losses resulting from all possible default events over the expected life of the financial instrument (lifetime expected credit losses). Financial assets where 12-month expected credit losses are recognised are considered to be Stage 1; financial assets which are considered to have experienced a significant increase in credit risk since initial recognition are in Stage 2; and financial assets which have defaulted or are otherwise

considered to be credit impaired are allocated to Stage 3.

An assessment of whether credit risk has increased significantly since initial recognition considers the change in the risk of default occurring over the remaining expected life of the financial instrument. In determining whether there has been a significant increase in credit risk, the Group reviews credit ratings and qualitative indicators such as watchlists and other indicators of historical delinquency, credit weakness or financial difficulty. Where the credit risk subsequently improves such that it no longer represents a significant increase in credit risk since origination, the asset is transferred back to Stage 1. Assets are transferred to Stage 3 when they have defaulted or are otherwise considered to be credit impaired. Default is considered to have occurred when there is evidence that the customer is experiencing financial difficulty which is likely to affect significantly the ability to repay the amount due.

Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets measured at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method and losses and impairment are recognised in the CIES. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the CIES within Financing and Investment Income and Expenditure.

Financial Assets Measured at Fair Value through Profit of Loss (FVTPL)

Financial assets that do not meet the tests to be measured at amortised cost or at FVOCI are measured at FVTPL. They are recognised on the Balance Sheet when the Group becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the following techniques:

- instruments with quoted market prices – the market price
- other instruments with fixed and determinable payments – discounted cash flow analysis
- instruments that do not have fixed and determinable payments – stated at fair value based on the Group’s share of the fair value of the underlying investments.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the authority can access at the measurement date.

Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.

Level 3 inputs – unobservable inputs for the asset.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

xviii. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in ninety days or less from the date of acquisition, that are readily convertible to known amounts of cash with insignificant risk of change in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

In the Cash Flow statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority and group members’ cash management.

xix. Foreign Currency Translation

Where the Group has entered into a transaction denominated in a foreign currency, the transaction is converted to sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the year-end, they are

reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment Income and Expenditure line in the CIES.

xx. Interests in Companies and Other Entities

The Authority has material interests in companies and other entities that have the nature of subsidiaries and associates that require it to prepare group accounts.

xxi. Inventories

Greater London Authority Holdings Ltd and London Legacy Development Corporation

Land and buildings held for sale in the normal course of business are classified as inventories (IAS 2) and valued annually, by external professionally qualified valuers, at the lower of cost and net realisable value or the lower of cost and current replacement cost where they are held for distribution at no charge or nominal charge (IPSAS 12). Current replacement cost is the cost the entity would incur to acquire the asset on the reporting date.

Expenditure, of £10,000 and above, on direct materials, direct labour costs and those overheads which have been incurred in bringing the inventories to their present location and condition, is capitalised. Expenditure below £10,000 may be grouped and capitalised where it is practicable to do so.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. For LLDC, where its residential developments are undertaken on its behalf by third parties (for example, via a Development Agreement), LLDC uses its forecast share of the developer's estimated sale receipts to determine the net realisable value (as LLDC does not incur any costs of completion or marketing, selling and distribution). For East Bank properties classified as inventories, LLDC uses its forecast contributions from the East Bank partners and the estimated costs to complete (based on the anticipated final cost as determined in conjunction with its project management partner, Mace) to determine the net realisable value.

Land is de-recognised when control has been transferred to the purchaser, i.e., on legal completion. In relation to the East Bank development, the inventory balance will be derecognised upon completion of the development when the asset is handed over. Upon derecognition the remaining provision recognised as the estimate of the expenditure required to settle LLDC's present obligation towards the cost of the buildings will be released and offset against the partner contributions which are treated as deferred income until building completion.

Non-refundable land option payments are initially recognised in inventory and are written off to the income statements when it is probable that they will not be exercised.

xxii. Leases

Lease giving rise to a right-of-use asset and lease liability (the Group as lessee)

The Group classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

Lease giving rise to a right-of-use asset and lease liability (the Group as lessee)

Initial measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date of 1 April 2024). The leases are typically for fixed periods in excess of one year but may have extension options. The Group initially recognises lease liabilities measured at the present value of lease payments, discounting by applying each Group body's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined.

Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the Group body is reasonably certain to exercise
- lease payments in an optional renewal period if the Group body is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the Group body is reasonably certain not to terminate early.

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

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

Classification

The Group presents right-of-use assets as a distinct asset class on the face of the balance sheet.

Lease giving rise to a right-of-use asset and lease liability (the Group as lessee) - Subsequent measurement

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

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

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties.

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

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

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

When such a remeasurement occurs a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement. When such a remeasurement occurs from a change in the index or rate,

- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or

- there is a revised in-substance fixed lease payment

a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

Lease giving rise to a right-of-use asset and lease liability (the Group as lessee) - Lease expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed.

Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

Finance Leases (the Group as lessor)

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. The net investment in the lease is the gross investment (aggregate of the minimum lease payments receivable and any guaranteed and unguaranteed residual value) discounted at the interest rate implicit in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Operating Leases (the Group as lessor)

Rental income from operating leases and initial direct costs are recognised in the CIES on a straight-line basis over the term of the relevant lease.

xxiii. Intangible Assets

Expenditure, of £10,000 and above, on non-monetary assets that do not have physical substance but are controlled by the Group as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible assets to the Group.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible, is intended to be completed and will generate future economic benefits or deliver service potential through use of the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase.

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise services or goods.

Intangible assets are measured initially at cost and are subsequently measured at amortised cost less impairment. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service lines in the CIES. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service lines in the CIES. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the CIES.

The useful lives and amortisation methods for software costs are as follows:

Software costs: Straight line – 3 to 5 years

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement on Reserves Statement and posted to the Capital Adjustment Account and the Capital Receipts Reserve.

xxiv. Property, Plant and Equipment

Assets that have physical substance and are held for use in the supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure, of £10,000 and above, on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be reliably measured. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. Expenditure below £10,000 may be grouped and capitalised where practicable to do so.

De-recognition

Where expenditure is incurred in the direct replacement of an existing asset or a significant component of an existing asset – that component is de-recognised prior to the recognition of any subsequent expenditure.

Initial Measurement and Valuations

Assets are initially measured at cost, comprising:

- the purchase price;
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- Borrowing costs incurred are not capitalised whilst assets are under construction.

Assets are then measured on the Balance Sheet date using a current value basis:

- Specialised properties with no active market – measured at depreciated replacement cost (DRC), being the present value of the assets' remaining service potential, which can be assumed equal to the cost of replacing that service potential;
- Non-specialised operational properties – measured at existing use value, being the market value based on the assumption that the property is sold as part of the continuing enterprise;
- Surplus assets – measured at fair value, being the price that would be received to sell an asset in an orderly transaction between market participants; and
- Plant and equipment – measured at cost less accumulated depreciation and accumulated impairment losses as a proxy for current value.

Assets under construction are measured at cost less accumulated impairment losses.

Valuations

Assets included in the Balance Sheet at current and fair value are revalued annually to ensure that their carrying amount is not materially different from their current or fair value at the year-end. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Account in order to reverse a loss charged to services in a prior year.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains); and
- where there is an insufficient balance in the revaluation reserve, the revaluation reserve is written down to nil and the remaining amount

of the decrease in value is written down against the relevant service line(s) in the CIES.

Where there is no balance in the Revaluation Reserve, the whole amount of the decrease in value is written down against the relevant service line(s) in the CIES.

Impairment

Assets are assessed at each year end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains); and
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the CIES.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the CIES, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided on all Property, Plant and Equipment assets by systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets that are not yet available for use (i.e. assets under construction).

Depreciation is provided according to the following policy:

- Newly acquired assets are depreciated when they are brought into use or on an average basis; and
- Depreciation is calculated using the straight-line method and over the following useful lives:
 - Buildings – up to 60 years
 - Plant and equipment – 3 to 40 years
 - IT infrastructure and development – 3 years

- Furniture, fixtures and fittings – 5 to 10 years
- Motor vehicles – 3 years

Where an item of Property, Plant and Equipment has major components with significantly different useful lives and the cost of which is significant in relation to the total cost of the item, the components are depreciated separately.

Land is not depreciated as it is deemed to have an indefinite useful life.

Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the CIES as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the CIES also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of the disposal).

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. Receipts are apportioned to the Capital Receipts Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of the disposal is not a charge against the Council Tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

xxv. Heritage Assets

Heritage assets are assets that are held principally for their contribution to knowledge or culture and may be carried at cost or fair value based on market value.

Two heritage assets were transferred on 1 April 2012 from the Homes and Community Agency both had depreciated to a nil carrying value. The assets held are of a unique nature and there is no historical cost information available and no comparable market value information.

The Group considers the cost of obtaining such information outweighs the benefits to the users of the financial statements. As a result, the assets have not been recognised on the Balance Sheet. The appropriate disclosures have been made in Note 29.

xxvi. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course

of business, use in the supply of services or for administrative purposes.

Investment property is measured initially at cost, including transaction costs, and subsequently measured at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation and on disposal are recognised in the CIES. As statutory arrangements do not allow these gains and losses to impact the General Fund, they are subsequently reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and the Capital Receipts Reserve (sales proceeds). When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

External, professionally qualified valuers are used to measure fair value.

If the use of an investment property changes such that it requires a transfer to inventories, then the property's deemed cost in accordance IAS 2 (Inventories) shall be its fair value at the date of change in use.

Where there is a change in use of a property, this may result in a reclassification of an investment property to inventories, or vice versa. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use.

As set out in IAS 40, a change in management's intentions for the use of a property does not, in isolation, provide evidence of a change in use. However, an example of a change in use is the commencement of development with a view to sale.

In this context, management defines 'commencement of development' as the start of work on site, which could be on a phased basis and (with reference to Section 56 of the Town and Country Planning Act 1990) includes:

- any work of construction in the course of the erection of a building
- any work of demolition of a building
- the digging of a trench which is to contain the foundations, or part of the foundations, of a building
- the laying of any underground main or pipe to the foundations, or part of the foundations, of a building

- the course of laying out or constructing a road or part of a road

Where a group entity decides to dispose of an investment property (e.g. land) without development, it continues to treat the property as an investment property until it is derecognised (eliminated from the statement of financial position) and does not reclassify it as inventory.

xxvii. Revenue expenditure funded from capital under statute (REFCUS)

Revenue expenditure funded from capital under statute is expenditure that may be capitalised under statutory provisions but which does not result in the creation of a fixed asset to the Authority/Group. For example, grant paid to a third party for the purchase or creation of a fixed asset. This will include capital grants paid to Transport for London in respect of Crossrail, housing capital funding paid to London boroughs, developers and housing associations; and regeneration funding paid to London boroughs and other organisations.

REFCUS is charged as expenditure to the relevant service revenue account in the year. Where such expenditure is funded from capital grants or contributions, the grants or contributions (or the portions that relate to the expenditure) are recognised as revenue grants or contributions. Both the expenditure and the grant or contributions are reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account so there is no impact on the level of the precept.

xxviii. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives rise to a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

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

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the obligation is settled.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs necessary to fulfil the obligation under the contract.

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

xxix. Reserves

Specific amounts are set aside as reserves for future policy purposes or to cover contingencies. Reserves are created by earmarking amounts in the General Fund Balance and showing these as transfers between the earmarked and non-earmarked General Fund reserves in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the CIES. The reserve is then appropriated back into the non-earmarked portion of the General Fund reserves in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Capital reserves are kept to manage the accounting processes for non-current assets, retirement and employee benefits and do not represent usable resources for the Group – these reserves are explained in the relevant accounting policies.

xxx. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

xxxi. Corporation Tax

Corporation tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the CIES except to the extent that it relates to a business combination, or to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are disclosed net to the extent that they relate to taxes levied by the same authority and the Group has the right of set off.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

(a) the initial recognition of goodwill; or

(b) the initial recognition of an asset or liability in a transaction which:

(i) is not a business combination; and

(ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and

(iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset shall be recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that: (a) is not a business combination; and (b) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and (c) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

xxxii. Minimum Revenue Provision

A minimum revenue provision (MRP) is a requirement to spread the revenue cost of capital expenditure over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The provision is in respect of capital financed by borrowing or credit arrangements. The scheme for calculating MRP is set out in the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008.

The GLA's relevant capital expenditure currently relates to major infrastructure projects, namely Crossrail and the Northern Line Extension (NLE). Due to the scale of the GLA commitment to these projects (c£7.0 billion and £1.0 billion total contributions respectively predominantly funded by borrowing), the GLA considers it prudent to maintain ringfenced project accounts for each. In the case of Crossrail, the requirement to present a separate revenue account is prescribed by statute due to the fact that a Business Rate Supplement has been raised and applied to fund the project.

In both cases, the GLA's expenditure takes the form of grants to TfL to fund all or part of the project costs. Various statutory or contractual income streams are available to the GLA to meet these costs, and are credited to the relevant ringfenced project accounts, either to fund grants directly or meet associated financing costs, including repayment of borrowing.

- In the case of Crossrail, the principal income stream is Crossrail Business Rates Supplement (BRS), supplemented from 2019-20 (as a source of revenue to finance and repay debt following changes made to legislation) by the Mayoral Community Infrastructure Levy (MCIL)
- For the NLE, the funding is collected by the London Boroughs of Lambeth and Wandsworth and comprises a share of the ring-fenced business rates growth in the Battersea and Nine Elms statutory designated area and contributions from local developers.

For each project, the annual MRP is set at the surplus of income credited to the project account over the net financing and other revenue expenditure, including the making good of prior year project account deficits. On a temporary basis, for the NLE only, has been supplemented by the creation of an NLE volatility reserve to which surpluses or deficits are transferred until the GLA is confident that the ongoing business rates growth in the Battersea and Nine Elms designated regeneration area is sufficient to cover its in year capital financing and associated costs on an ongoing basis. Any excess held in the NLE reserve at that point will be released to repay the GLA's outstanding NLE debt.

This represents a prudent policy for both projects, since it will fully fund the costs attributable to each project over a period of time reasonably commensurate with the benefits of that project.

Where the GLA incurs capital expenditure as a result of making a loan to another entity for purposes that, had the GLA undertaken these directly, would be treated as capital expenditure, then the capital financing requirement element arising from such loans shall be excluded from the minimum revenue provision calculations to reflect the policy that the capital receipt arising from the repayment of the loan will be applied in full to meet the initial expenditure.

The Chief Finance Officer may override this exemption on the grounds of prudence, directing a provision to be made in accordance with the methodology set out in the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008. However, the impact of such direction on the revenue account shall be accounted for as a voluntary revenue provision (VRP).

New capital loans provided by the Authority from 7 May 2024 will be subject to the requirement to include in the MRP an amount equal to the ECL or impairment recognised in the CIES from that date onwards.

3. Accounting Standards issued but not yet effective

At the date of authorisation of the Group financial statements, the following new standards and amendments to existing standards have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom:

IAS 21 – Lack of Exchangeability (Amendments) (effective 1 January 2025)

These amendments provide guidance for determining whether a currency is exchangeable and estimating the spot rate when it is not. Effective from 1 January 2025, the Group does not anticipate a material impact based on its current operations.

Annual Improvements to IFRS Accounting Standards—Volume 11 (2023 Cycle) (effective 1 January 2026)

These improvements clarify minor amendments across several standards, including:

IFRS 1 – Exemptions for first-time adopters;

IFRS 7 – Clarification of credit risk disclosure linkages;

IFRS 9 – Refinements on derecognition of lease liabilities and transaction price definition;

IFRS 10 – Clarification of “de facto agent” assessment;

IAS 7 – Guidance on classification of costs under the cost method.

These amendments are effective for annual periods beginning on or after 1 January 2025. The Group does not expect these amendments to have a material effect on its financial statements.

IFRS 9 and IFRS 7 – Amendments for Nature-Linked Features and Disclosures (effective 1 January 2026)

Clarifications have been introduced on the classification of financial assets with nature-dependent variability (e.g., ESG-linked features), including updates to the SPPI test. IFRS 7 has been amended to require new disclosures related to these instruments. These are effective 1 January 2025. The Group does not expect any changes in classification or disclosures.

Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026)

The amendments relate to the classification and measurement requirements in IFRS 9 Financial Instruments and related requirements in IFRS 7 Financial Instruments: Disclosures.

The amendments specify:

- when a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date;
- how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs;

- and new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

This amendment is effective for accounting periods commencing on or after 1 January 2025 and is not expected to have a significant impact on the Group.

IFRS 18 Presentation and Disclosure in Financial Statements (effective 1 January 2027)

IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 to replace IAS 1 Presentation of Financial Statements. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management defined performance measures; and adding new principles for the aggregation and disaggregation of items. This Group is currently reviewing what effect this could have on the presentation of its financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024. IFRS 19 permits some subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. This Group is currently reviewing what effect this could have on its subsidiaries' disclosures.

4. Explanatory notes to the CIES

Impairment of equity investment in Greater London Authority Holdings Ltd

On 31 March 2025, GLA made an equity investment in GLAH via a capital contribution of £111.2 million. The £111.2 million equity investment in GLAH was immediately impaired as it has been assessed that the £111.2 million is not recoverable. This transaction is discussed in detail in section "Transactions subsequent to the transfer of LS LLP" of the Narrative Report.

5. Use of estimates and judgements

The preparation of financial statements in conformity with the Code requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements are disclosed below:

Estimates

5.1 Inventory (Development Property)

The Group holds land and buildings for sale and for development and subsequent sale as Inventory. Annual valuation reviews are undertaken to identify property held for sale or developments in progress to ensure that the carrying value is the lower of cost or net realisable value (IAS 2) or for inventory being distributed at no or nominal charge, the lower of cost or current replacement cost (IPSAS 12).

The net realisable value is based upon the potential income to be generated by the various assets. Should evidence emerge that causes the Group entities to amend these estimates, the carrying value of inventories could change.

For GLAP, the assumption that has the most significant impact on the valuation of inventory is the discount rate used in the calculation of the present value of future land payments under development agreements. All other factors being equal, a higher discount rate would lead to a decrease in the valuation of inventory. For a sample of inventory assets a 1% increase in the discount rate would result in a 4.6% decrease in the fair value of inventory for GLAP.

Other changes to inputs that could impact the potential future income used in the valuation are the percentage of affordable housing in a planned development and construction price inflation assumptions on developments, including on LLDC's development sites under construction.

Where there is a transfer to inventories from investment properties arising from a change of use, the inventory's deemed cost is its fair value at the date of change in use. For residential development inventories, the fair value at the date of transfer will be based upon the potential income to be generated by the various assets. Again, any change in these estimates could impact the carrying value of the inventories, which could result in a write-down in value to the CIES.

In the period to 31 March 2025, this valuation of inventories resulted in a write down to net realisable value of £17.4 million. See note 37 for further details.

5.2 Investment Property

Investment properties (IAS 40), requires that properties are classified as investment properties where they are held for the purpose of capital appreciation or to earn rentals. To comply with IAS 40, judgement needs to be exercised in determining whether these properties should be

classified as investment properties. As investment properties are valued at fair value, with movements in the fair value being recorded in the income statement, this could have a significant effect on the reported surplus or deficit of the Group.

Investment property valuations are based on the estimated potential income to be generated by the various assets. Should evidence emerge that requires amendments to these estimates, the estimated fair value of investment properties could change. This includes changes to future rental income, yields, comparable market land values; and for development sites within Investment Properties, key estimates are the affordable housing percentage and build cost inflation.

The carrying value of investment properties at Group level, at 31 March 2025, totalled £305.9 million see note 26 for further details.

5.3 Loan Investments held at amortised cost – Allowances for Impairment Losses

Expected credit loss allowances (ECL) reflect past performance, current conditions and the Group's view of economic conditions over the expected lives of financial assets, notably loan investments and trade receivables held at amortised cost. It is the product of the loan investment balance, the borrower's probability of default and an assessment of the percentage risk of loss in the event of a default. The loss given default is currently assumed at 35% for collateral backed loans and 45% for non-collateral backed loans.

The probability of default (PD) of an exposure, both over a 12-month period and over its lifetime, is a key input to the measurement of the ECL allowance.

Default is deemed to have occurred when there is evidence that the customer is experiencing significant financial difficulty which is likely to affect the ability to repay amounts due or has failed to comply with key financial covenants and other performance obligations in development agreements.

5.4 London Stadium LLP Onerous Contract Provision

The methodology used to estimate the onerous contract provision is based on a variety of judgements regarding the cash flows associated with the West Ham United and UK Athletics agreements. Key judgements include the following:

Revenue and costs included in the calculation are based on current knowledge and are assumed to continue in a similar trend for the remaining period of the terms of the onerous contract. Not all revenue streams have been secured as at the reporting date, but management has a reasonable expectation that these will be secured in the future. Similarly, it is assumed that the cost base will not change significantly over the remaining period.

Within the calculation, certain revenues and costs are phased to commence in future financial years. The value of individual revenue and cost items are in line with current forecasts and are assumed to stay at a similar level for the remaining period.

The provision is currently estimated at £241.5 million in 2024-25 (£206.7 million in 2023-24) (Note 41).

5.5 Post-retirement benefits

The estimation of the net pensions asset or liability is based on the requirements of IAS 19 *Employee Benefits* and relies on complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Actuaries are engaged to provide the Authority with expert advice about the assumptions to be applied.

In accordance with the requirements of IAS 19 Employee Benefits and IFRIC 14 – The Limit on a Defined Benefit Asset, an asset ceiling assessment has been performed. This assessment considers the availability of the surplus to the Authority in the form of either a refund or a reduction in future contributions.

As the Authority is not expected to benefit from any economic return from the surplus, the net defined benefit asset has been restricted to nil on the balance sheet.

Details of the assumptions made and related sensitivity analysis, are provided in Note 21.

At 31 March 2025, the carrying value of the Group's net pensions assets was nil in 2024-25 (£59.6 million in 2023-24)(Note 21).

Judgements

5.6 London Stadium LLP (LS LLP)

GLAH holds a 99% interest in LS LLP and SELH (in which GLAH holds 100% of the shares), holds the remaining 1% in LS LLP.

The Authority is the parent of Greater London Authority Holdings Ltd. (GLAH), holding 100% of GLAH's share capital. The Mayor and the GLA's Chief Finance Officer are able to exert control over LS LLP's key operating decisions as set out in the reserved matters section of the LLP members' agreement. In light of this, a control assessment was undertaken to determine whether the GLA exerted direct control over London Stadium LLP group and could therefore directly consolidate the LS LLP group directly into the GLA group accounts.

Control under IFRS 10 is assessed on the basis of:

1. Power over the investee's relevant activities,
2. Exposure, or rights, to variable returns from its involvement, and
3. The ability to use its power to affect those returns

GLA, will be the funder of the LS LLP group (LS LLP and its subsidiary LS185 Limited), and will therefore be exposed to the variable returns of the London Stadium LLP group. In the 2025-26 GLA Group budget, the GLA is budgeted to fund London Stadium LLP, £19.5 million in 2025-26 and £16.1 million in 2026-27. Also, the GLA would be required to fund any spend in excess of the budgeted funding.

The London Stadium LLP Members Agreement sets out in the list of Reserved Matters the decisions requiring the Mayor's approval (Type 1) and decisions requiring the approval of a GLA Chief Finance Officer (Type 2). The Articles of Association of Stratford East London Holdings Limited and of London Stadium 185 also include these reserved matters. GLAH does not play a role in key decision making of London Stadium LLP.

The key Decisions or matters that require the Mayor's approval and which point to GLA control as defined in IFRS 10 Consolidated Financial Statements are:

- any changes to the Members' Agreement including changes to the Reserved Matters, LLP name or change to form of legal entity
- any borrowing by the LLP
- the appointment and/or dismissal of the chair, deputy chair and any member of the board and any payment for loss of office and the Members have agreed to vest management, operation and the business of the LLP in the board
- the annual business plan and any subsequent amendments and/or updates to this plan, an annual operational budget for the forthcoming financial year

5.7 London Treasury Limited Fund LP (LTLF LP)

LTLF LP is an investment fund, the principal activities of which are the making of investments and collecting investment returns for distribution to its partners.

At 31 March 2025, the limited partners of LTLF LP are Mayor's Office for Policing and Crime (MOPAC), London Fire Commissioner (LFC), London Legacy Development Corporation (LLDC), London Pensions Fund Authority (LPFA) and Transport for London (TfL). A control assessment was required to determine the accounting treatment of LTLF LP in the GLA's Group accounts.

Each limited partner has the right to appoint a single individual as its representative on the Limited Partnership Advisory Committee (LPAC).

The LPAC makes key operational and strategic decisions that drive the fund's activity. Governance and oversight of the General Partner and Alternative Investment Fund Manager (AIFM) are conducted principally through the forum of the LPAC. The AIFM is responsible for appointing the LTLF LP portfolio and asset managers.

The control assessment focussed on the relevant activities that drive LTLF LP's returns and on how key operating and financial decisions are made. In management's opinion, the most significant and relevant activities that drive LTLF's returns are managing financial assets during their life as well as selecting, acquiring and disposing of financial assets. The ability to direct these relevant activities sits with the LPAC and the Part 8 and Part 9 decisions of the limited partnership agreement (including changes to the investment strategy) are the decisions that have the most material impact on relevant activities of LTLF and the returns on the fund.

The investment strategy has the most significant influence on the returns of the fund, the LPAC approves the investment strategy and this strategy directs and constrains the activity of the general partner and the AIFM. After considering all aspects it was concluded that the LPAC has effective control of LTLF LP.

The assessment then considered the extent to which the GLA can exert significant influence over LTLF LP as defined in *IAS 28 Investments in Associates and Joint Ventures*.

The quorum required for a duly convened meeting of the LPAC is seventy five percent (75%) by number of voting members, representing at least fifty percent (50%) of the total core account balances held by all limited partners. The requirement for 50% of the core contribution balance to be present for the meeting to be quorate, means in practice, that the GLA must be present at all LPAC meetings as the GLA holds on average 80% or more of the core contribution balance. Also, in the case of deadlock the voting member appointed by Greater London Authority has the casting vote.

In light of the above, management concluded that the GLA has significant influence as it holds a significant share of the investments held by LTLF LP and it is required to vote in all decisions taken by LTLF LP. The Authority therefore has the power to participate in the financial and operating policy decisions but it does not control LTLF LP as the GLA will always be voting alongside the other LPs via the LPAC. The GLA does not therefore meet the IFRS 10 control criteria as the GLA, on its own, cannot direct the relevant activities of LTLF LP, and though the GLA is exposed to the profits/losses of the LTLF LP, it does not control the decision-making processes, that affect or influence these returns.

5.8 Council tax accounting

The Authority's share of the actual 2024-25 council tax deficit was £3.0 million (£7.9 million deficit in 2023-24) (Note 14). This is based on

unaudited figures from the 32 London boroughs and the City of London Corporation. Any post audit amendments on Council Tax are incorporated into the following year's accounts.

The *CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25* sets out the methodology for determining the Authority's attributable share of council tax and non-domestic debtors and creditors. It is an estimate based on the demand/precept proportions for the next financial year. Any post audit amendments on Council Tax are incorporated into the following year's accounts.

5.9 Business rates accounting

The Authority's share of the actual 2024-25 business rates surplus is £26.6 million (£62.9 million surplus in 2023-24) (Note 15). The amounts recorded for retained business rates in respect of 2024-25 are derived from the National Non-Domestic Rates 3 (NNDR3) outturn returns which have been received by the GLA from the capital's 33 local billing authorities and certified by their section 151 officers by the date the entries in these accounts were prepared. It is possible that billing authorities may amend their NNDR3 returns during or following the auditing of their final accounts.

The GLA's audited accounts incorporate material amendments made compared to these draft figures where these have been advised to the GLA on a timely basis in advance of its publication. Any variations arising from the final NNDR3 returns not received by the date the authority's accounts are approved will generally be incorporated in the cumulative balances, accruals, non-domestic rating income figures and provisions in the following year's statutory accounts.

The assumption is that the data used will be materially consistent with the GLA's share of the income, expenditure and balances reported in the collection fund statements within the draft statutory accounts of each billing authority.

Under statutory regulations the aggregate sums reported by billing authorities provide the source data for these estimates and provisions and determine the income and potential levy and safety net payments to or from the Secretary of State that the GLA is required to provide for and recognise. The instalments payable to the GLA during the financial year and used for budgeting purposes are calculated based on the National Non-Domestic Rates 1 estimates submitted by the 31 January prior to the start of the financial year.

The most significant provision relates to the estimate for potential refunds to ratepayers arising from successful non-domestic rating appeals and other changes to the valuation list relating both to the 2024-25 financial year and for backdated amounts for prior accounting periods. In estimating their provision, each London billing authority will have had regard to the settlement rates of historical appeals and the level of challenges unresolved at the financial year end as well as risks of future challenges which have a backdated impact including those arising from material changes of circumstances (MCC) in relation to a hereditament or its locality. Billing authorities have also generally considered the case

for incorporating an estimate for the potential impact of challenges and appeals not lodged by the balance sheet date and made an assessment as to their potential materiality as part of the determination of their final provision estimates.

The GLA has considered the possibility that billing authorities may have under or over provided for the impact of challenges to valuations. Over provisions may arise where the Valuation Office and Valuation Tribunal rejects a greater proportion of challenges than anticipated because it considers that the rating list is generally accurate or successful appeals are backdated to an earlier reference date. Under provisions may occur if a higher proportion of the rating list is ultimately challenged successfully by ratepayers or there may be changes to national rating policies for certain business sectors which have a greater material impact in some billing authorities.

In addition, there is also a provision for non-collection of NNDR income (i.e., the impairment of doubtful debts). Billing authorities will have had regard to proper accounting practice and guidance in relation to the calculation of these provisions taking into account their local circumstances.

The GLA considers that based on its initial assessment the appeals provisions made appear reasonable having regard to the risks associated with business rates retention, the fact that it is supported by Valuation Office data on checks, challenges and assessment reviews against the 2017 and 2023 local rating lists at 31 March 2025, and that billing authorities have had regard to Accounting Standards and their knowledge of historic trends in relation to the variation in the rating list in preparing their estimates.

The GLA has also made an estimate as to the levy on business rates growth it will be required to pay to the government in respect of 2024-25 and has accrued for this as a creditor in its accounts.

5.10 Classification between investment properties and inventories

The intention for which a property is held, is considered at the outset when each property is acquired, to inform the classification of the property as either an investment property or an inventory. Where the intention is to trade or dispose the property within the ordinary course of business, the property is classified as inventory property. Where the intention is to hold the property for its long-term rental yield or capital appreciation (or both), the property is classified as an investment property. Where the intention cannot be determined with any certainty, and the asset is land, this is classified as an investment property.

Where there is a demonstrable change in use of the property, a transfer between investment property and inventory property takes place. A change in use occurs when the property ceases to meet the definition of investment property and there is evidence of the change in use. The transfer will take place when there are observable actions toward effecting a change in use, for example the commencement of development, by the Group entity, with a view to a sale.

The classification of properties is a significant judgement which directly impacts the net asset position and reported financial performance, as inventory properties are held at the lower of cost and net realisable value or, when appropriate, at lower of cost and current replacement cost, whilst investment properties are held at fair value, with gains or losses taken through the Comprehensive Income and Expenditure Statement. Refer to notes 26, 27 and 37 for further information.

5.11 Leases (Group as lessor)

The Group applies judgement in determining whether leases are classified as operating or finance leases in accordance with IFRS 16. The assessment considers whether substantially all of the risks and rewards incidental to ownership of the property have transferred to the lessee.

In making this judgement, management considers the lease term relative to the asset's economic life, the value of lease payments compared to the fair value of the asset at lease commencement, the extent to which the lessee bears asset-related risks (including repairs, maintenance and insurance), and the degree of residual value risk retained by the Group.

Where these factors indicate that substantially all risks and rewards have transferred, the lease is classified as a finance lease and a lease receivable is recognised. Otherwise, the lease is treated as an operating lease and rental income is recognised in the Comprehensive Income and Expenditure Statement over the lease term. This judgement is significant as it affects the assets recognised in the Group Balance Sheet.

At 31 March 2025 the carrying values of finance lease receivables at Group level were significant, totalling £38.5 million, see note 34 for further details.

5.12 Determining whether an arrangement contains a lease (Group as lessee)

In determining whether a contract contains a lease in accordance with IFRS 16, the Group is required to exercise judgement in assessing whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This assessment includes evaluating whether the Group has the right to obtain substantially all of the economic benefits from use of the asset and the right to direct how and for what purpose the asset is used.

This judgement is significant as contracts identified as containing a lease give rise to the recognition of right-of-use assets and lease liabilities on the Group Balance Sheet, which can have a material impact on the Group's reported financial position.

5.13 Financial instruments – Classification

The classification decision for non-equity financial assets under IFRS 9, is dependent on two key criteria:

- The business model within which the asset is held (the business model test), and
- The contractual cash flows of the asset (the SPPI test).

Determining the appropriate business model and assessing whether the cash flows generated by an asset consist solely of payments of principal and interest requires management judgement management as does the determination on whether the business model under which financial instruments are held are held to maturity, held for trading or a mix of both. These are decisions which affect whether the financial instrument is held at amortised cost or fair value and whether changes in fair value are recognised in the Income and Expenditure Account or in Other Comprehensive Income.

6. Authorisation of the Statement of Accounts

The Statement of Accounts was authorised for issue on the date the Chief Finance Officer certified that the accounts give a true and fair view of the financial position of the Authority at the year-end; and its income and expenditure, see the “Statement of Responsibilities for the Statement of Accounts”. This is the date up to which events after the balance sheet date have been considered (Note 54).

7. Expenditure and Income analysed by nature

The Authority's expenditure and income is analysed as follows:

	2024/25	2023/24
	£'000	£'000
Expenditure		
Employee benefits expenses	127,426	112,583
Other service expenses	4,833,457	4,511,087
Depreciation, amortisation and impairment	5,685	2,980
Interest payments and similar charges	246,460	181,278
Precepts and other payments to Functional Bodies	1,419,188	1,274,167
Non-domestic rates levy and pool contribution	38,525	39,740
BRR Tariff Payment	807,878	732,551
Total Expenditure	7,478,619	6,854,386
Income		
Government grants and other contributions	(2,359,962)	(2,553,891)
Income from council tax and non-domestic rates	(4,794,617)	(4,539,953)
Fees, charges and other service income	(110,516)	(88,153)
Interest and investment income	(208,933)	(211,877)
Total Income	(7,474,028)	(7,393,875)
(Surplus)/Deficit on Provision of Service	4,591	(539,488)

* BRR-Business Rates Retention

Other service expenses includes £1.2 billion in capital grants paid to third parties, of which £1.1 billion were housing grants, and £2.7 billion relate to business rates paid to Transport for London, the London Fire Brigade and the Mayor's Office for Policing and Crime to part fund their budget requirements.

8. Expenditure and Funding Analysis

The Expenditure and Funding Analysis (“EFA”) shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) in comparison with those resources consumed or earned in accordance with generally accepted accounting practices.

2023/24 Restated			Authority	2024/25		
Net Exp Chargeable to the General Fund	Adjustments between Funding and Accounting Basis	Net Exp in the CIES*	Note	Net Expenditure Chargeable to the General Fund	Adjustments between Funding and Accounting Basis	Net Exp in the CIES*
£000	£000	£000		£000	£000	£000
8,374	142	8,516	Assembly & Secretariat	9,108	52	9,160
7,094	89,837	96,931	Chief Finance Officer	12,200	1,180	13,380
4,457	90	4,547	Chief Officer	36,339	50	36,389
35,921	243	36,164	Corporate Resources & Business Improvement	36,522	198	36,720
149,132	20,551	169,683	Communities & Skills	198,567	17,202	215,769
1,414	68	1,482	Adult Education	(3,915)	113	(3,802)
61,579	37,429	99,008	Good Growth	57,944	82,332	140,276
17,728	1,087,686	1,105,414	Housing & Land	33,933	1,056,158	1,090,091
6,207	104	6,311	Mayor's Office	5,928	146	6,074
25,402	422	25,824	Strategy & Communications	29,639	239	29,878
451,015	(380,104)	70,911	Corporate and Group Items	494,538	(422,941)	71,597
768,323	856,468	1,624,791	Net Cost of Services	910,803	734,729	1,645,532
(846,039)	(1,318,241)	(2,164,280)	Other Income and Expenditure	(720,247)	(920,694)	(1,640,941)
(77,716)	(461,773)	(539,489)	Surplus/Deficit	190,556	(185,965)	4,591
(1,170,545)			Opening General Fund Balance	(1,248,261)		
(77,716)			Less Surplus/Deficit	190,556		
-			Adjustment	3		
(1,248,261)			Closing General Fund Balance	(1,057,702)		

*CIES-Comprehensive Income and Expenditure Account

The £921 million (credit) in Other Income and Expenditure largely consists of capital grant income and capital receipts, capital grant payments to TfL and the accounting entries required to recognise council tax and business rates income on an accrued basis.

8a. EFA – Adjustments between funding and accounting basis

Authority 2024/25

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statements amounts	Adjustments for Capital Purposes £000	Net change for the Pensions Adjustments £000	Other Differences £000	Total Adjustments £000
Assembly & Secretariat	-	47	5	52
Chief Finance Officer	-	1,215	(35)	1,180
Chief Officer	-	30	20	50
Corporate Resources & Business Improvement	-	103	95	198
Communities & Skills	16,978	154	70	17,202
Adult Education	-	46	67	113
Good Growth	81,967	225	140	82,332
Housing & Land	1,055,881	177	100	1,056,158
Mayor's Office	-	54	92	146
Strategy & Communications	(81)	151	169	239
Corporate and Group Items	5,685	-	(428,626)	(422,941)
Net Cost of Services	1,160,430	2,202	(427,903)	734,729
Other Income and Expenditure from the Expenditure and Funding Analysis	(1,022,684)	(3,980)	105,970	(920,694)
Difference between surplus or deficit on the General Fund and the CIES	137,746	(1,778)	(321,933)	(185,965)

Authority 2023/24 - Restated

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statements amounts	Adjustments for Capital Purposes £000	Net change for the Pensions Adjustments £000	Other Differences £000	Total Adjustments £000
Assembly & Secretariat	-	60	82	142
Chief Finance Officer	89,000	823	14	89,837
Chief Officer	-	32	58	90
Corporate Resources & Business Improvement	-	115	128	243
Communities & Skills	20,126	187	238	20,551
Adult Education	-	55	13	68
Good Growth	36,843	270	316	37,429
Housing & Land	1,087,212	216	258	1,087,686
Mayor's Office	-	74	30	104
Strategy & Communications	194	152	76	422
Corporate and Group Items	2,980	-	(383,084)	(380,104)
Net Cost of Services	1,236,355	1,984	(381,871)	856,468
Other Income and Expenditure from the Expenditure and Funding Analysis	(1,271,649)	(2,963)	(43,629)	(1,318,241)
Difference between surplus or deficit on the General Fund and the CIES	(35,294)	(979)	(425,500)	(461,773)

The 2023-24 figures have been restated to reflect an organisational restructure effective from 1 April 2024 (See Note 1).

9. Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Group in the year in accordance with proper accounting practice, and to the resources that are specified by statutory provisions as being available to the Group.

Group

Adjustments between Accounting Basis and Funding Basis under Regulations

2024/25

	USABLE RESERVES			Total Usable Reserves £000
	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	
Adjustments to Revenue Resources				
Amounts by which income and expenditure included in the CIES differ from revenue for the year calculated in accordance with statutory requirements:				
Pension Costs transferred to/(from) the Pensions Reserve	1,565	-	-	1,565
Financial instruments (transferred to/(from) the Financial Instruments Adjustments Account)	2,934	-	-	2,934
Council tax and NDR (transfers to/(from) Collection Fund Adjustment Account)	(29,455)	-	-	(29,455)
Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	(790)	-	-	(790)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(1,255,448)	-	-	(1,255,448)
Total Adjustments to Revenue Resources	(1,281,194)	-	-	(1,281,194)
Adjustments between Revenue and Capital Resources				
Transfer of capital grant reclaims and non-current asset sale proceeds from revenue to the Capital Receipts Reserve	242,313	(242,313)	-	-
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	873,399	-	(830,401)	42,998
Statutory provision for the repayment of debt (transfer to the Capital Adjustment Account)	250,998	-	-	250,998
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	177,638	-	-	177,638
Total Adjustments between Revenue and Capital Resources	1,544,348	(242,313)	(830,401)	471,634
Adjustments to Capital Resources				
Application of capital grants to finance capital expenditure	-	-	975,073	975,073
Cash receipts in relation to long term capital debtors	-	(46,182)	-	(46,182)
Use of the Capital Receipts Reserve to finance new capital expenditure	678	139,991	-	140,669
Total Adjustments to Capital Resources	678	93,809	975,073	1,069,560
Other adjustments	-	-	314	314
Total Adjustments	263,832	(148,504)	144,986	260,314

	USABLE RESERVES			Total Usable Reserves £000
	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	
	£000	£000	£000	
Adjustments to Revenue Resources				
Amounts by which income and expenditure included in the CIES differ from revenue for the year calculated in accordance with statutory requirements:				
Pension Costs transferred to/(from) the Pensions Reserve	534	-	-	534
Financial instruments (transferred to/(from) the Financial Instruments Adjustments Account)	1,212	-	-	1,212
Council tax and NDR (transfers to/(from) Collection Fund Adjustment Account)	45,559	-	-	45,559
Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	(1,235)	-	-	(1,235)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(1,381,989)	-	-	(1,381,989)
Total Adjustments to Revenue Resources	(1,335,919)	-	-	(1,335,919)
Adjustments between Revenue and Capital Resources				
Transfer of capital grant reclaims and non-current asset sale proceeds from revenue to the Capital Receipts Reserve	156,692	(156,692)	-	-
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	1,115,373	-	(1,115,373)	-
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	276,074	-	-	276,074
Voluntary provision for the repayment of debt (transfer from the Capital Adjustment Account)	-	-	-	-
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	107,009	-	-	107,009
Total Adjustments between Revenue and Capital Resources	1,655,148	(156,692)	(1,115,373)	383,083
Adjustments to Capital Resources				
Application of capital grants to finance capital expenditure	-	-	1,000,583	1,000,583
Capital grant and borrowing financing swap	-	-	(145,745)	(145,745)
Cash receipts in relation to long term capital debtors	-	(43,929)	-	(43,929)
Use of the Capital Receipts Reserve to finance new capital expenditure	120,235	180,011	-	300,246
Total Adjustments to Capital Resources	120,235	136,082	854,838	1,111,155
Other adjustments	796			796
Total Adjustments	440,260	(20,610)	(260,535)	159,115

Authority Adjustments between Accounting Basis and Funding Basis under Regulations

2024/25

	USABLE RESERVES			
	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	Movement in Usable Reserves £000
Adjustments to Revenue Resources				
Amounts by which income and expenditure included in the CIES differ from revenue for the year calculated in accordance with statutory requirements:				
Pension Costs transferred to/(from) the Pensions Reserve	1,778	-	-	1,778
Financial instruments (transferred to/(from) the Financial Instruments Adjustments Account)	2,003	-	-	2,003
Council tax and NDR (transfers to/(from) Collection Fund Adjustment Account)	(29,455)	-	-	(29,455)
Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	(724)	-	-	(724)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(1,288,221)	-	-	(1,288,221)
Total Adjustments to Revenue Resources	(1,314,619)	-	-	(1,314,619)
Adjustments between Revenue and Capital Resources				
Transfer of capital grant reclaims & other capital receipts from revenue to the Capital Receipts Reserve	242,313	(242,313)	-	-
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	829,644	-	(829,644)	-
Statutory provision for the repayment of debt (transfer to/(from) the Capital Adjustment Account)	250,998	-	-	250,998
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	177,629	-	-	177,629
Total Adjustments between Revenue and Capital Resources	1,500,584	(242,313)	(829,644)	428,627
Adjustments to Capital Resources				
Application of capital grants to finance capital expenditure	-	-	970,788	970,788
Capital receipts used to finance capital expenditure	-	139,991	-	139,991
Cash receipts in relation to capital debtors	-	(46,182)	-	(46,182)
Total Adjustments to Capital Resources	-	93,809	970,788	1,064,597
Total Adjustments	185,965	(148,504)	141,144	178,605

Authority

Adjustments between Accounting Basis and Funding Basis under Regulations

2023/24

	USABLE RESERVES			Movement in Usable Reserves £000
	General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Unapplied £000	
Adjustments to Revenue Resources				
Amounts by which income and expenditure included in the CIES differ from revenue for the year calculated in accordance with statutory requirements:				
Pension Costs transferred to/(from) the Pensions Reserve	978	-	-	978
Financial instruments (transferred to/(from) the Financial Instruments Adjustments Account)	1,212	-	-	1,212
Council tax and NDR (transfers to/(from) Collection Fund Adjustment Account)	45,559	-	-	45,559
Holiday pay (transferred to/(from) the Accumulated Absences Reserve)	(1,213)	-	-	(1,213)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(1,204,216)	-	-	(1,204,216)
Total Adjustments to Revenue Resources	(1,157,679)	-	-	(1,157,679)
Adjustments between Revenue and Capital Resources				
Transfer of capital grant reclaims & other capital receipts from revenue to the Capital Receipts Reserve	156,692	(156,692)	-	-
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	1,079,676	-	(1,079,676)	-
Statutory provision for the repayment of debt (transfer to/(from) the Capital Adjustment Account)	276,074	-	-	276,074
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	107,009	-	-	107,009
Total Adjustments between Revenue and Capital Resources	1,619,452	(156,692)	(1,079,676)	383,083
Adjustments to Capital Resources				
Application of capital grants to finance capital expenditure	-	-	964,886	964,886
Capital grant and borrowing financing swap	-	-	(145,745)	(145,745)
Capital receipts used to finance capital expenditure	-	180,011	-	180,011
Cash receipts in relation to capital debtors	-	(43,929)	-	(43,929)
Total Adjustments to Capital Resources	-	136,081	819,141	955,222
Total Adjustments	461,773	(20,611)	(260,535)	180,627

10. Transfers to/from Earmarked Reserves – Authority

	Balance at 31 March 2023 £000	Transfers In	Transfers Out	Balance at 31 March 2024 £000	Transfers In	Transfers Out	Balance at 31 March 2025 £000
GLA Reserves							
Assembly Development & Resettlement	1,601	2,352	(1,332)	2,621	167	(219)	2,569
Capital Programme	3,519	102,482	-	106,001	63,017	(91,900)	77,118
Climate Emergency Funding Reserve	90,000	-	(1,918)	88,082	-	(7,431)	80,651
Compulsory Purchase Orders	1,329	-	-	1,329	-	-	1,329
Development	1,053	500	-	1,553	500	-	2,053
Dilapidations	6,500	-	-	6,500	-	-	6,500
Election	13,119	8,375	(3,641)	17,853	15,715	(33,568)	-
Environment Drainage	728	-	-	728	-	(584)	144
Estates	832	-	-	832	-	-	832
Group Collaboration Reserve	-	6,000	(4,056)	1,944	8,495	(4,904)	5,535
Interest Smoothing	45,492	42,000	-	87,492	20,000	(29,500)	77,992
Land Fund	7,514	-	(550)	6,964	67	(554)	6,477
London and Partners	2,245	-	-	2,245	-	-	2,245
London Green Fund Reserve	274	217	(274)	217	169	-	386
Major Events	11,554	-	(3,321)	8,233	4,000	(5,712)	6,521
Mayoral Resettlement	77	-	-	77	-	-	77
New Homes Bonus LEP grant reserve	730	-	-	730	-	-	730
New Museum Project	22,000	3,000	-	25,000	-	(25,000)	-
Planning Smoothing	199	-	-	199	301	-	500
Pre-Application Planning	2,696	-	(151)	2,545	-	(1,214)	1,331
Programme Reserves	58,267	204	(38,471)	20,000	1,315	(898)	20,417
Recycled Capital Grant Fund Interest reserve	144	-	-	144	10,903	(6,227)	4,820
Redundancy	967	6,274	(5,448)	1,793	177	(589)	1,381
Revenue Grants Unapplied	146,580	201,746	(168,705)	179,621	180,427	(203,502)	156,546
Right to Buy Revenue Grant	13,390	12,145	(10,556)	14,979	4,024	-	19,003
Sport Unites	5,155	-	(1,326)	3,829	-	(1,638)	2,191
The Royal Docks Enterprise Zone Reserve	1,399	2,492	(3,890)	1	423	-	424
Universal Free School Meals Reserve	-	40,000	(7,510)	32,490	140,000	(137,752)	34,738
Young Londoners Fund Reserve	29,842	-	(7,141)	22,701	-	(10,851)	11,850
Sub-Total	467,206	427,787	(258,290)	636,703	449,700	(562,043)	524,360
GLA Group Reserves							
Business Rates Reserve	195,507	231,440	(157,122)	269,825	254,461	(199,207)	325,079
Development Corporations (MDC*)	16,418	39,832	(21,050)	35,200	37,298	(41,215)	31,283
Environment Improvement reserve	-	134,400	(49,403)	84,997	-	(82,324)	2,673
LLDC Capital Funding Reserve	75,660	15,700	(89,000)	2,360	83,018	(60,218)	25,160
Northern Line Extension Reserve	59,061	19,987	(7,500)	71,548	20,504	-	92,052
OPDC Flexibility Reserve	14,177	4,502	(3,783)	14,896	6,428	(5,895)	15,429
Strategic Investment Fund	44,614	-	(10,384)	34,230	7,468	(17,532)	24,166
Transport Services funding reserve	287,900	-	(199,400)	88,500	-	(81,000)	7,500
Sub-Total	693,337	445,861	(537,642)	601,556	409,177	(487,391)	523,342
Total Earmarked Reserves	1,160,543	873,648	(795,932)	1,238,259	858,877	(1,049,434)	1,047,702

*MDC-Mayoral Development Corporation

The earmarked reserves note sets out the amounts set aside, by the Authority, from the General Fund in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in year.

The purpose of each reserve is detailed below:

GLA Reserves

The **Assembly Development and Resettlement Reserve** exists to ensure adequate funding is built up for future pay settlements, reviews and resettlement grants for the Assembly and Secretariat Directorate.

The **Capital Programme Reserve** provides a source of funding for those capital projects falling outside the programmes in housing and regeneration which are directly funded by Government grant.

The **Climate Emergency Funding Reserve** provides a source of funding for high-impact green investment opportunities for the public and private sector; and support for the GLA Green Bond programme, financing direct decarbonisation investment by the GLA Group and its strategic partners as part of the Mayor's Green Financing facility.

The **Compulsory Purchase Orders Reserve** has been created to provide for estimated future costs related to the settlement of a number of significant programmes inherited by a statutory transfer scheme from the London Development Agency.

The **Development Reserve** exists to fund organisational change and business improvement projects.

The **Dilapidations Reserve** exists to fund repairs required at the end of the GLA tenancy lease at the current City Hall.

The **Election Reserve** exists to fund the Mayor and Assembly elections when they fall due every four years.

The **Environment Drainage Reserve** has been created to earmark the funding received from central government for the preparation of surface water management plans.

The **Estates Reserve** has been created to fund exceptional repairs and maintenance works across the GLA Estate, works undertaken at Parliament and Trafalgar Squares and the development of land and property schemes.

The **Group Collaboration Reserve** sets aside funding for the collaborative projects of the Authority and its functional bodies, in areas such as procurement and land assembly.

The **Interest Smoothing Reserve** has been created to manage fluctuations in interest receipts.

The **Land Fund Reserve** has been created to hold the fund for future revenue works required where it does not meet the conditions of the capital grant receipts from MHCLG approved under MD2396.

The **London and Partners Reserve** has been created to ensure that adequate funding is built up for future reviews of the organisation.

The **London Green Fund Reserve** exists to fund schemes that cut London's carbon emission.

The **Major Events Reserve** represents sums set aside to build up resources for future events.

The **Mayoral Resettlement Reserve** funds the resettlement grants paid to the former Mayor following the Mayoral elections.

The **New Homes Bonus LEP grant reserve** consists of New Homes Bonus grant that has been set aside to fund revenue expenditure that will be incurred by London Boroughs on regeneration schemes in future years.

The **New Museum Project Reserve** has been created to ensure adequate funding is accumulated to meet future costs relating to the proposed relocation of the Museum of London.

The **Planning Smoothing Reserve** has been created to smooth the funding of the Examination in Public of the London Plan and other planning functions.

The **Pre-Application Planning Reserve** carries forward surplus pre-application planning income to fund the running costs of the Pre-Application Planning service in future years.

The **Programme Reserve** represents underspends on directorate and budgets carried forward to fund projects that were delayed and are due to start or be completed within the next financial year.

The **Recycled Capital Grant Fund Interest** reserve holds interest received on unutilised capital grants that have been returned for redistribution.

The **Redundancy Reserve** has been created to fund restructuring costs.

The **Revenue Grants Unapplied Reserve** contains grants and contributions received that have no repayment conditions attached. Where expenditure has not yet been incurred this income is rolled forward and will be released when expenditure is incurred on the relevant project

or initiative.

The **Right to Buy (RTB) Revenue Grant Reserve** holds grants received for expenditure towards the Mayor's Homes for Londoners: Affordable Homes Programme.

The **Sport Unites Reserve** exists to support the Mayor's community sports initiatives which are currently under development.

The **Royal Docks Enterprise Zone Reserve** manages the funding flows of the Royal Docks Programme, which is a joint initiative from the Mayor and the London Borough of Newham to develop the Royal Docks area in the east of London. The project will create jobs and new homes and promote cultural and economic development of the Docks on a local, regional and international level over the coming years.

The **Universal Free School Meals Reserve** will fund the future provision of free school meals to primary school children in London.

The **Young Londoners' Fund Reserve** exists to support the Mayor's £45 million Young Londoners' Fund is helping children and young people to fulfil their potential, particularly those at risk of getting caught up in crime. It is supporting a range of education, sport, cultural and other activities for young Londoners.

GLA Group Reserves

The **Business Rates Reserve** (formerly the Resilience Reserve) has been created to manage special risks to which the GLA is exposed as a result of the timing and the potential quantum of changes to the council tax base, retained business rates income, relative collection fund shares for both council tax and business rates, and government grant settlements as well as wider volatility in those key income streams such as the timing and phasing of the repayment of collection fund surpluses and deficits including those arising from the business rates relief schemes funded by the government and the potential impact of future reforms to the local government funding regime to be introduced from April 2026.

The **Development Corporation Reserve (MDC)** has been created to ensure that adequate contingency funding is available for unexpected costs relating to Mayoral Development Corporations.

The **Environment Improvement Reserve** was created to fund the ULEZ scrappage funding and other environmental initiatives.

The **LLDC Capital Funding Reserve** provides a source of funding for revenue grants to LLDC for the financing of future LLDC capital expenditure.

The **Northern Line Extension Reserve** (NLE reserve) manages volatility in revenues from business rates growth and developer contributions from the Battersea and Nine Elms regeneration area relating to the financing and repayment of the Authority's NLE related

borrowing.

The **OPDC Mayoral Development Corporation (MDC) Flexibility Reserve** has been created to ensure that adequate contingency funding is available for unexpected costs relating to Old Oak and Park Royal Corporation (OPDC).

The **Strategic Investment Fund Reserve** exists to support the Mayor's commitment to spend additional income generated from the London business rates retention pooling arrangements in 2018-19 and 2019-20 on strategic investment projects which will contribute to the sustainable growth of London's economy. This has been allocated in full to fund various strategic investment projects and is therefore due to be reduced to a nil balance as the approved funding is drawn down.

The **Transport Services Funding Reserve (TSFR)** manages the phasing of certain funds raised in business rates and council tax which have been approved by the Mayor for transport services prior to their application for this purpose.

11. Other Operating Expenditure

Sections 102 and 103 of the Greater London Authority Act 1999 (as amended) require the Greater London Authority to pay over to the functional bodies, their share of government grants and precepts required to fund their budget requirements, as calculated under section 85(4) to (7) of the aforementioned Act. The table below sets out the allocation of the council tax precepts and retained business rates to the functional bodies. The allocation of specific and general government grants to the functional bodies is shown in the Fund Account. Business rates payments to the Functional Bodies form part of the cost of services analysis in the CIES. It also reports on LLDC's activities in relation to the sale and holding of land and buildings as trading stock (Inventories).

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Precept payable to the Functional Bodies	1,419,188	1,419,188	1,274,167	1,274,167
Fire Services	285,395	285,395	249,875	249,875
Police Services	184,556	184,556	94,792	94,792
Transport Services	2,248,280	2,248,280	2,081,914	2,081,914
Inventories-(Gain)/loss on disposal (LLDC)	-	-	-	(16,797)
Total	4,137,419	4,137,419	3,700,748	3,683,951

12. Financing and Investment Income and Expenditure

	Authority	Group	Authority	Group
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Interest payable and similar charges	157,320	122,018	174,374	139,645
Net interest on the net defined liability	(3,980)	(4,231)	(2,963)	(2,910)
Interest receivable and similar income	(189,274)	(133,989)	(180,742)	(169,015)
Other investment Income	(963)	(830)	(550)	(1,096)
Net (gain)/loss from financial assets at fair value through profit and loss	(13,630)	(20,132)	(514)	(2,134)
Unwinding of loan discounting	-	(1,187)	-	(1,060)
Fair value adjustment to loan advanced	-	-	-	14,553
Unwinding of provision discount	-	13,940	-	9,712
Income in relation to investment properties	-	(18,112)	-	(21,528)
Expenditure in relation to investment properties	-	17,440	-	44,015
Total	(50,527)	(25,083)	(10,395)	10,182

13. Taxation and Non-Specific Grant Income and Expenditure

	Note	Authority	Group	Authority	Group
		2024/25	2024/25	2023/24	2023/24
		£000	£000	£000	£000
Precept receivable from Council Tax payers	14	(1,489,402)	(1,489,402)	(1,345,177)	(1,345,177)
Precept receivable from Council Tax payers-prior year income		2,196	2,196	-	-
Non-domestic rate income	15	(3,057,384)	(3,057,384)	(2,952,469)	(2,952,469)
Non-domestic rate - prior year income		-	-	(102)	(102)
Non-domestic rate tariff payment		807,878	807,878	732,551	732,551
Non domestic rate levy and pool contribution		38,526	38,526	39,740	39,740
Business Rate Supplement - Crossrail		(250,020)	(250,020)	(242,205)	(242,205)
Community Infrastructure Levy - Crossrail		(121,115)	(121,115)	(175,250)	(175,250)
Non-ringfenced revenue government grants	16	(674,610)	(674,610)	(603,325)	(653,261)
Other non-ringfenced grants and contributions		-	(812)	-	-
Capital grants and contributions	16	(1,071,957)	(1,157,246)	(1,285,230)	(1,293,393)
Total		(5,815,888)	(5,901,989)	(5,831,467)	(5,889,566)

14. Council Tax Precepts

The CIES contains the 2024-25 council tax precept issued by the Greater London Authority on the 32 London boroughs and the City of London Corporation and the Authority's share of the actual net surplus or deficit on their collection funds in respect of Council Tax. In the Movement in Reserves Statement the 2024-25 share of the council tax net surplus or deficit on their collection funds is reversed from the General Fund balance and taken to the Collection Fund Adjustment account and the cash received in 2024-25 for the Authority's estimated share of the 2023-24 net surplus/deficit – based on the forecasts submitted by billing authorities in January 2024 - is brought in as the amount required by statute to be credited to the General Fund. An analysis of these amounts is contained in this table:

	2024-25 Precept Demand	2024-25 (surplus) / deficit	2024-25 Precept recognised in CIES	Share of 2023- 24 Estimated (Surplus) / Deficit	2023-24 Precept Demand	2023-24 (surplus) / deficit	2023-24 Precept recognised in CIES	Share of 2022- 23 Estimated (Surplus) / Deficit
	£000	£000		£000	£000	£000		£000
Corporation of London	(1,425)	(52)	(1,477)	7	(1,259)	6	(1,253)	(100)
Barking & Dagenham	(25,888)	190	(25,698)	717	(23,152)	(44)	(23,196)	(218)
Barnet	(73,458)	1,742	(71,716)	117	(66,455)	1,478	(64,977)	633
Bexley	(39,594)	(1,041)	(40,635)	(884)	(36,087)	186	(35,901)	(446)
Brent	(48,826)	2,658	(46,168)	(31)	(43,930)	2,140	(41,790)	(609)
Bromley	(63,780)	(646)	(64,426)	(763)	(58,215)	(1,300)	(59,515)	(3,172)
Camden	(43,216)	(2,378)	(45,594)	633	(40,182)	3,166	(37,016)	340
Croydon	(64,601)	(40)	(64,641)	(432)	(59,577)	416	(59,161)	442
Ealing	(58,034)	(631)	(58,665)	(488)	(52,797)	(644)	(53,441)	(446)
Enfield	(48,533)	225	(48,308)	237	(42,022)	299	(41,723)	(660)
Greenwich	(40,843)	(655)	(41,498)	(1,583)	(37,211)	(276)	(37,487)	(1,573)
Hackney	(36,659)	(1,241)	(37,900)	(543)	(33,476)	1,177	(32,299)	387
Hammersmith & Fulham	(40,594)	(331)	(40,925)	767	(36,440)	(360)	(36,800)	586
Haringey	(38,596)	(845)	(39,441)	(726)	(34,609)	(570)	(35,179)	36
Harrow	(42,131)	(66)	(42,197)	(494)	(38,675)	(207)	(38,882)	(81)
Havering	(42,897)	264	(42,633)	0	(39,128)	(210)	(39,338)	229
Hillingdon	(49,340)	3,604	(45,736)	327	(44,987)	379	(44,608)	1,647
Hounslow	(42,756)	(486)	(43,242)	(61)	(38,772)	(331)	(39,103)	(2,353)
Islington	(38,450)	(266)	(38,716)	738	(35,548)	121	(35,427)	(1,016)
Kensington & Chelsea	(46,611)	(110)	(46,721)	261	(42,429)	9	(42,420)	(189)
Kingston Upon Thames	(30,877)	(260)	(31,137)	(748)	(28,032)	(759)	(28,791)	99
Lambeth	(53,968)	(372)	(54,340)	0	(48,941)	1,375	(47,566)	383
Lewisham	(42,621)	(20)	(42,641)	(595)	(38,573)	(172)	(38,745)	(96)
Merton	(36,891)	(719)	(37,610)	(505)	(33,730)	273	(33,457)	(314)
Newham	(41,499)	(531)	(42,030)	(841)	(37,244)	(117)	(37,361)	(581)
Redbridge	(43,027)	(492)	(43,519)	(130)	(39,278)	(200)	(39,478)	574
Richmond Upon Thames	(42,274)	108	(42,166)	(561)	(38,764)	(246)	(39,010)	(70)
Southwark	(52,875)	2,889	(49,986)	1,017	(47,397)	1,195	(46,202)	(125)
Sutton	(35,189)	(76)	(35,265)	(433)	(32,109)	(755)	(32,864)	(179)
Tower Hamlets	(54,092)	3,451	(50,641)	518	(49,036)	3,000	(46,036)	1,373
Waltham Forest	(38,335)	271	(38,064)	(231)	(34,784)	8	(34,776)	(704)
Wandsworth	(67,652)	(1,310)	(68,962)	(1,825)	(61,220)	(1,311)	(62,531)	(1,751)
City of Westminster	(64,721)	213	(64,508)	1,423	(59,024)	180	(58,844)	(195)
Amounts receivable	(1,490,253)	3,047	(1,487,206)	(5,112)	(1,353,083)	7,906	(1,345,177)	(8,149)

15. Non-Domestic Rates income (NDR)

The CIES contains the Authority's share of 2024-25 non-domestic rates estimated collectable by the 32 London boroughs and the City of London Corporation when the 2024-25 original budget was set and the Authority's share of the actual net surplus or deficit on their collection funds in respect of non-domestic rates. In the Movement in Reserves Statement the 2024-25 share of the actual net surplus or deficit in respect of non-domestic rates is reversed from the General Fund balance and taken to the Collection Fund Adjustment account and the Authority's estimated share of the 2023-24 net surplus/deficit – based on the forecasts submitted by billing authorities in January 2024 used for budgeting purposes - is brought in as the amount required by statute to be credited to the General Fund. An analysis of the NDR income received in 2024-25 and 2023-24 is contained in this table:

	2024-25 NDR Income	2024-25 (Surplus) / Deficit	2024-25 NDR income recognised in CIES	Share of 2023- 24 Estimated (Surplus) / Deficit	2023-24 NDR Income	2023-24 (Surplus) / Deficit	2023-24 NDR income recognised in CIES	Share of 2022- 23 Estimated (Surplus) / Deficit
	£000	£000	£000	£000	£000	£000	£000	£000
Corporation of London	(443,347)	(29,851)	(473,198)	(25,404)	(420,380)	(5,999)	(426,379)	(3,562)
Barking & Dagenham	(28,209)	(211)	(28,420)	(3,021)	(26,588)	948	(25,640)	6,576
Barnet	(38,261)	333	(37,928)	(2,673)	(35,200)	2,249	(32,951)	(8,791)
Bexley	(35,459)	1,300	(34,159)	3,343	(33,241)	1,712	(31,529)	(1,947)
Brent	(52,743)	5,345	(47,398)	(429)	(50,809)	(1,219)	(52,028)	1,857
Bromley	(32,587)	(1,046)	(33,633)	(991)	(30,529)	848	(29,681)	5,446
Camden	(228,741)	17,007	(211,734)	20,950	(210,421)	(19,873)	(230,294)	(41,911)
Croydon	(40,857)	(811)	(41,668)	2,242	(39,674)	930	(38,744)	15,065
Ealing	(62,835)	(390)	(63,225)	(2,294)	(61,110)	(1,255)	(62,365)	4,952
Enfield	(47,273)	1,253	(46,020)	(2,273)	(44,732)	(1,803)	(46,535)	3,892
Greenwich	(35,414)	(5,368)	(40,782)	5,094	(35,135)	5,575	(29,560)	(7,726)
Hackney	(63,066)	(3,603)	(66,669)	(3,143)	(59,897)	(7,554)	(67,451)	257
Hammersmith & Fulham	(81,933)	(10,444)	(92,377)	(10,830)	(77,513)	(7,490)	(85,003)	(9,537)
Haringey	(25,554)	(2,010)	(27,564)	(2,618)	(25,783)	753	(25,030)	1,158
Harrow	(16,306)	533	(15,773)	1,452	(15,747)	297	(15,450)	(1,872)
Havering	(30,986)	2,224	(28,762)	(5,348)	(29,585)	(527)	(30,112)	217
Hillingdon	(142,985)	7,259	(135,726)	(7,198)	(128,874)	(9,371)	(138,245)	(5,440)
Hounslow	(67,915)	(8,585)	(76,500)	8,615	(72,176)	12,565	(59,611)	(3,638)
Islington	(100,458)	(5,325)	(105,783)	(8,864)	(92,275)	(10,409)	(102,684)	(7,870)
Kensington & Chelsea	(91,521)	(8,763)	(100,284)	16,044	(89,792)	(3,976)	(93,768)	3,762
Kingston Upon Thames	(27,243)	(1,778)	(29,021)	(287)	(25,797)	(2,327)	(28,124)	1,423
Lambeth	(64,719)	190	(64,529)	5,526	(62,688)	5,286	(57,402)	5,585
Lewisham	(21,557)	(43)	(21,600)	1,072	(20,746)	45	(20,701)	(826)
Merton	(36,609)	(272)	(36,881)	(1,911)	(35,378)	960	(34,418)	2,085
Newham	(64,205)	1,888	(62,317)	(3,631)	(62,453)	490	(61,963)	(2,109)
Redbridge	(19,687)	1,069	(18,618)	(1,129)	(20,009)	1,302	(18,707)	2,057
Richmond Upon Thames	(30,403)	1,359	(29,044)	3,461	(28,874)	(464)	(29,338)	(282)
Southwark	(126,755)	10,189	(116,566)	2,371	(122,609)	5,191	(117,418)	6,495
Sutton	(24,498)	51	(24,447)	1,663	(24,378)	1,628	(22,750)	1,402
Tower Hamlets	(160,283)	4,110	(156,173)	11,993	(148,779)	24,407	(124,372)	20,928
Waltham Forest	(22,718)	(482)	(23,200)	(361)	(22,463)	573	(21,890)	72
Wandsworth	(40,703)	(3,506)	(44,209)	7,237	(39,626)	2,956	(36,670)	(726)
City of Westminster	(724,930)	1,753	(723,177)	(56,581)	(696,306)	(59,350)	(755,656)	11,204
Amounts receivable	(3,030,760)	(26,625)	(3,057,385)	(47,923)	(2,889,567)	(62,902)	(2,952,469)	(1,804)

16. Grant Income

The Authority credited the following grants and contributions to the CIES:

Credited to Taxation & Non Specific Grant Income	2024/25 £000	2023/24 £000
Non-ringfenced government grants (Revenue):		
MHCLG* - S31 grant NDR reliefs	638,204	568,829
MHCLG - NDR top-up grant	-	(56)
MHCLG - NDR compensation for the green plant and machinery exemption	-	7,953
MHCLG - NDR national levy account surplus	4,430	4,430
MHCLG - Minimum Funding Guarantee	24,238	-
MHCLG - General Services grant	3,708	21,363
MHCLG - Right to Buy revenue	4,024	746
MHCLG - Other revenue grants	8	60
Total Non-ringfenced government grants (Revenue)	674,610	603,325
Capital grants and contributions:		
MHCLG - Capital grants (Housing)	654,016	635,849
ERDF Grant	6,511	-
MHCLG - Local Authority Housing Grant	(74,286)	-
MHCLG - London Estate Regeneration Fund	25,000	-
MHCLG - East Bank	-	3,900
MHCLG - Housing Infrastructure Fund - Marginal Viability Funding	4,274	12,705
MHCLG - Cladding remediation grant-Social Sector	-	3,384
MHCLG - Cladding remediation grant-Private Sector	26,119	42,190
MHCLG - Building Safety Fund	114,269	247,589
MHCLG - Waking Watch Relief	-	67
DOH* - Care & Support Fund	6,701	12,400
BEIS - Homes Upgrade Grant 2	-	1,531
BEIS - Sustainable Warmth	358	18,455
MHCLG - Shared Prosperity Fund	19,122	8,735
BEIS - Green Homes	-	6,285
DfT - Growing Places Fund	-	15,230
DfT - Levelling Up Fund	-	12,717
MHCLG - Local Authority Housing Fund	-	88,328
MHCLG - Single Homelessness Accommodation Programme	41,771	6,717
Housing Grant reclaims	140,066	156,392
Recycled Capital Grant	101,463	-
London Boroughs contributions for Elephant & Castle roundabout	4,800	11,847
Other Contributions	1,773	909
Total Capital grants and contributions	1,071,957	1,285,230
Total grants credited to Taxation & Non Specific Grant Income	1,746,567	1,888,555

£74.3 million of the Local Authority Housing Grant is underutilised and the Authority has agreed to MHCLG's request to repay the grant.

Credited to Services	2024/25	2023/24
	£000	£000
DfE* - Adult Education	339,033	333,394
DfE - Skills Bootcamp	9,934	713
DfE - Multiply	14,283	9,807
MHCLG - Homelessness & Rough Sleeping	20,873	34,743
MHCLG - Domestic Abuse Duty	21,560	21,160
MHCLG ERDF	-	245
MHCLG - Shared Prosperity Fund	36,714	40,663
DWP* - European Social Fund	(5)	39,207
Building Safety - Non ACM	3,828	-
Home Office	382	196
NHS* Commissioning Board	-	400
European Commission - Horizon 2020	-	430
DCMS - UEFA Champions League Final	1,402	-
Other contributions	10,164	9,183
Total grants credited to services	458,168	490,144

The following grants have conditions which have not yet been met and are held as creditors in the balance sheet. They will be recognised as income in future years.

Grants Receipts In Advance (Capital Grants)	31 March	31 March
	2025	2024
	£000	£000
Other grants	-	350
Total	-	350

Grants Receipts In Advance (Revenue Grants)	2024/25	2023/24
	£000	£000
BEIS - Sustainable Warmth	-	2,301
Other grants and contributions	15	-
Total	15	2,301

*MHCLG-Ministry of Housing Communities and Local Government; DCMS-Dept for Culture, Media and Sport; DfE-Dept for Education; DfT - Dept for Transport; DWP-Dept for Works and Pensions; NHS-National Health Service; BEIS-Department for Business, Energy & Industrial Strategy

17. Elections

The table below contains a summary of the expenditure and income incurred in year relating to the May 2024 Mayor of London and London Assembly elections. All costs have been met from the Election Reserves.

	2024/25	2023/24
	£000	£000
Gross Income	(240)	-
Gross Expenditure		
Staff	398	391
Premises	129	-
Reimbursement of London Borough costs	27,450	-
Supplies and Services	5,816	1,375
Gross Expenditure	33,792	1,766
Net Expenditure	33,552	1,766
Net contribution to/ (from) Reserves	(26,752)	4,734
Amount to be met by Grant and Taxpayer in year	6,800	6,500

18. Operating Leases

Group as Lessor

Details of some of the properties leased out as operating leases include:

GLA Land and Property Limited

- Thames Wharf – Dock Road and Scarab Close - the site is currently occupied by a number of industrial type occupiers comprising waste management, aggregate storage and a concrete batching facility
- Wick Lane, Poplar London - a 3 bedroomed semi-detached house
- North Middlesex Hospital – rented to an NHS Trust
- The Crystal Building – rented to the GLA

- Charles Street – occupied by an industrial type business and
- Royal Docks – Silvertown Dock, Albert Island, Thames Barrier Park – various properties currently occupied by a number of commercial and industrial type businesses

London Legacy Development Corporation

- London Aquatics Centre - Sports and Leisure Management (SLM) T/A Everyone Active was appointed as the new operator of the London Aquatics Centre in March 2024 under an 8-year service agreement
- Copper Box Arena - Greenwich Leisure Limited was appointed as the operator of the Copper Box Arena, in March 2024, under a 10-year arrangement
- Stadium Island - leased to E20 Stadium LLP under a 102-year lease arrangement, until 2115
- Here East - leased to iCITY (London) Limited over a 200-years lease
- Multi Storey Car Park: proportion of spaces leased to iCITY (London) Limited
- On and Off Park rentals: currently leased by a mixture of industrial and residential tenants
- The Podium (now Riverside East), kiosks and Timber Lodge are all leased on short-term arrangements
- The ArcelorMittal Orbit lease to Equans and sublease to Orbit Live Limited expired on 31 December 2023. The procurement to lease the ArcelorMittal Orbit on a 10-year agreement concluded in summer 2024, with the operating contract awarded to Zipworld.

The total undiscounted minimum lease payments receivable under non-cancellable leases in future years are:

	Group 31 March 2025 £000	Group 31 March 2024 £000
Not later than one year	8,108	6,529
Later than one year and not later than two years	6,246	5,537
Later than two years and not later than three years	5,355	4,256
Later than three years and not later than four years	3,472	3,398
Later than four years and not later than five years	3,447	2,855
Later than five years	89,377	91,673
	116,005	114,248

The income credited to the CIES during the year in relation to these leases amounted to:

	Group 2024/25 £000	Group 2023/24 £000
Rent receivable in year	14,028	10,345
	14,028	10,345

19. Mayor and Assembly Members' remuneration and expenses

The table below shows the total amount of remuneration and expenses reclaimed by the Mayor and Assembly members during the year. The amount for travel cards is the cash value of travel cards issued during the year.

		Salary	Resettlement Grant	Employer Pension Contributions	Travel Card	Taxi Expense Claims	Other Domestic Travel	Foreign Travel	Hotels	Other	Total
		£	£	£	£	£	£	£	£	£	£
Mayor	Khan, Sadiq	164,350	-	19,723	-	-	785	1,029	1,245	154	187,294
Statutory Deputy Mayor	McCartney, Joanne	114,015	-	13,602	2,456	-	-	200	-	-	130,441
Current Assembly Members											
Assembly Member	Ahmad, Marina	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Bailey, Shaun	64,001	-	-	3,120	-	-	-	-	-	67,201
Assembly Member	Baker, Elly	64,001	-	7,690	3,120	-	-	-	-	-	74,891
Assembly Member	Bassam, Mahfouz*	56,713	-	6,006	3,120	-	-	-	-	-	66,639
Assembly Member	Best, Emma	64,001	-	-	-	-	-	-	-	-	64,001
Assembly Member	Boff, Andrew **	76,047	-	9,222	-	-	9	-	-	-	86,078
Assembly Member	Bokhari, Hina	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Clarke, Anne	64,001	-	7,690	2,456	-	-	-	-	-	74,227
Assembly Member	Cooper, Leonie	64,001	-	7,690	2,456	-	9	-	-	-	74,236
Assembly Member	Desai, Unmesh	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Duvall, Len	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Garbett, Zoe*	56,467	-	6,776	-	-	-	400	190	490	64,321
Assembly Member	Garratt, Neil	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Georgiou, Alessandro*	56,713	-	6,006	-	-	-	-	-	-	63,519
Assembly Member	Hall, Susan	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Hirani, Krupesh	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Moema, Sem	64,001	-	7,690	2,920	-	-	-	-	-	74,691
Assembly Member	Polanski, Zack	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Prince, Keith	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Roberts, Gareth*	56,713	-	-	-	-	-	-	-	-	56,713
Assembly Member	Russell, Caroline	64,001	-	7,690	-	-	-	-	-	-	71,771
Assembly Member	Small-Edwards, James*	56,713	-	1,184	3,120	-	9	-	-	-	61,026
Assembly Member	Turrell, Thomas*	56,713	-	1,184	3,120	-	-	-	-	-	61,017
Assembly Member	Wilson, Alex*	56,713	-	6,006	2,456	22	-	-	-	124	66,121
Former Assembly Members ***											
Assembly Member	Berry, Sian	7,614	-	914	-	-	-	-	-	-	8,520
Assembly Member	Devenish, Tony	7,367	31,381	804	-	-	-	-	-	-	39,632
Assembly Member	Fortune, Peter	7,367	31,381	804	(577)	-	-	-	-	-	39,055
Assembly Member	Pidgeon, Caroline	7,367	42,677	804	-	-	-	-	-	-	50,920
Assembly Member	Rogers, Nicholas	7,367	31,381	804	-	-	-	-	-	-	39,632
Assembly Member	Sahota, Onkar	7,367	39,520	-	-	-	-	-	-	-	46,095
Assembly Member	Sheikh, Sakina	7,367	31,381	804	-	-	-	-	-	-	39,632
Assembly Member	Neill, Robert	-	20,920	-	-	-	-	-	-	-	20,920
Total 2024/2025		1,829,077	228,649	185,183	27,767	22	812	1,717	1,443	758	2,275,428
Total 2023/2024		1,782,872	-	191,282	25,552	-	432	-	-	-	2,000,138

* Assembly Members start from 07/05/2024 ** Chair of the London Assembly during 2024/25 *** Former Assembly Members left on 06/05/2024

20. Senior Officers' Remuneration

The remuneration paid to the Authority's senior employees is as follows:

2024/25

Post	Name of Post Holder	Salary (Including fees and allowances)	Compensation for loss of office	Employer Pension Contributions	Total Remuneration including pension contributions
GLA Staff					
		£	£	£	£
Chief Officer	Mary Harpley	244,948	-	23,270	268,218
Chief Finance Officer (from 30/09/2024)	Fay Hammond	85,942	-	5,552	91,494
Executive Director, Assembly Secretariat	Helen Ewen	154,213	-	14,650	168,863
Executive Director, Good Growth	Philip Graham	166,833	-	15,849	182,682
Executive Director, Housing and Land	Tim Steer	166,833	-	15,849	182,682
Executive Director, Corporate Resources & Business Improvement (from 01/07/2024)	Dianne Tranmer	117,979	-	11,208	129,187
Interim Executive Director, Strategy & Communications (from 06/01/2025) Note 1	Rachael Hickman	137,544	-	13,067	150,611
Executive Director, Communities & Skills	Tunde Olayinka	166,833	-	15,849	182,682
Former GLA Staff					
Interim Chief Finance Officer (to 25/10/2024)	Enver Enver	104,376	-	9,936	114,312
Executive Director, Strategy and Communications (to 31/01/2025)	Niran Mothada	152,080	-	14,448	166,528
Mayoral Team					
Statutory Deputy Mayor/ Deputy Mayor, Education and Childcare	Joanne McCartney	See note 19			
Chief of Staff	David Bellamy	155,789	-	14,972	170,761
Deputy Chief of Staff	Richard Watts	151,203	-	14,364	165,567
Deputy Mayor for Business	Howard Dawber	147,142	-	13,978	161,120
Deputy Mayor for Housing and Residential Development	Tom Copley	147,142	-	13,978	161,120
Deputy Mayor for Planning, Regeneration and the Fire Service	Jules Pipe	147,142	-	13,978	161,120
Deputy Mayor for Environment and Energy (from 25/07/2024)	Mete Coban	97,420	-	7,103	104,523
	Debbie Weekes-				
Deputy Mayor for Communities and Social Justice	Bernard	147,142	-	13,978	161,120
Deputy Mayor for Transport	Seb Dance	147,142	-	-	147,142
Deputy Mayor for Culture and the Creative Industries	Justine Simons	147,142	-	13,978	161,120
Mayoral Director for Communications	Sarah Brown	146,467	-	13,914	160,381
Mayoral Director for Operations	Ali Picton	145,390	-	13,812	159,202
Mayoral Director for Political and Public Affairs	Felicity Appleby	145,390	-	13,812	159,202
Mayoral Director of Global Relations & Communities (from 01/12/2024) Note 2	Nadeem Javaid	121,417	-	11,535	132,952
Deputy Mayor for Policing and Crime (from 24/10/2024)	Kaya Comer-Shwartz	Remuneration paid by the Mayor's Office for Policing and Crime			
Former Mayoral Appointee					
Deputy Mayor for Environment and Energy (to 05/05/2024)	Shirley Rodrigues	19,051	73,885	1,810	94,746
Deputy Mayor for Fire and Resilience (to 05/05/2024)	Fiona Twycross	12,574	44,330	1,195	58,099
Deputy Mayor for Policing and Crime (to 18/10/2024)	Sophie Linden	Remuneration paid by the Mayor's Office for Policing and Crime			

Note 1: Full year salary includes previous post as Head of Housing Delivery & Compliance

Note 2: Full year salary includes previous post as Senior Advisor to Mayor

2023/24

Post	Name of Post Holder	Salary (Including fees and allowances)	Compensation for loss of office	Employer Pension Contributions	Total Remuneration including pension contributions
		£	£	£	£
GLA Staff					
Chief Officer	Mary Harpley	225,692	-	21,441	247,133
Interim Chief Finance Officer (from 5/6/2023) Note 1	Enver Enver	136,409	-	12,959	149,367
Executive Director, Assembly Secretariat	Helen Ewen	133,502	-	12,683	146,184
Executive Director, Good Growth	Philip Graham	137,977	-	13,108	151,085
Executive Director, Housing and Land	Tim Steer	137,977	-	13,108	151,085
Interim Executive Director, Resources and Business Improvement (from 29/01/2024) Note 2	Niranjeet Mothada	137,977	-	13,108	151,085
Interim Executive Director, Strategy and Communications (from 29/01/2024) Note 3	Luke Bruce	126,193	-	11,988	138,181
Executive Director, Communities & Skills	Tunde Olayinka	137,977	-	13,108	151,085
Former GLA Staff					
Executive Director, Resources (effective to 2/6/2023) Note 4	David Gallie	43,703	52,642	3,521	99,866
Mayoral Team					
Statutory Deputy Mayor/Deputy Mayor, Education and Childcare	Joanne McCartney	See note 19			
Chief of Staff	David Bellamy	149,071	-	14,162	163,233
Deputy Chief of Staff	Richard Watts	144,692	-	13,746	158,437
Deputy Mayor for Business (from December 2023)	Howard Dawber	37,940	-	3,604	41,545
Deputy Mayor for Housing and Residential Development	Tom Copley	140,804	-	13,376	154,181
Deputy Mayor for Planning, Regeneration and Skills	Jules Pipe	143,023	-	13,587	156,610
Deputy Mayor for Environment and Energy	Shirley Rodrigues	140,804	-	13,376	154,181
Deputy Mayor for Communities and Social Justice	Debbie Weekes-Bernard	140,804	-	13,376	154,181
Deputy Mayor for Transport	Seb Dance	140,804	-	8,227	149,032
Deputy Mayor for Culture and the Creative Industries	Justine Simons	140,804	-	13,376	154,181
Deputy Mayor for Fire and Resilience	Fiona Twycross	84,483	-	8,026	92,509
Mayoral Director for Communications	Sarah Brown	135,174	-	12,842	148,016
Mayoral Director for Operations	Ali Picton	124,056	-	11,785	135,841
Mayoral Director for Political and Public Affairs	Felicity Appleby	124,056	-	11,785	135,841
Deputy Mayor for Policing and Crime	Sophie Linden	Remuneration paid by the Mayor's Office for Policing and Crime			
Former Mayoral Appointee					
Deputy Mayor for Business (to 27/11/2023)	Rajesh Agrawal	99,480	-	9,451	108,931

Note 1: Full year salary includes previous post as Assistant Director, Group Finance and Performance

Note 2: Full year salary includes previous post as Executive Director, Strategy and Communications

Note 3: Full year salary includes previous post as Programme Director, Recovery

Note 4: Compensation for loss of office also reported in Termination Note

The Authority's other employees receiving more than £50,000 remuneration for the year (excluding employer's pension contributions but including termination payments) were paid the following amounts:

Remuneration Band	2024/25	2023/24
	Number of Employees	Number of Employees
£		
50,000 - 54,999	181	180
55,000 - 59,999	194	189
60,000 - 64,999	161	146
65,000 - 69,999	150	101
70,000 - 74,999	68	29
75,000 - 79,999	25	48
80,000 - 84,999	55	43
85,000 - 89,999	28	27
90,000 - 94,999	36	17
95,000 - 99,999	22	12
100,000 - 104,999	15	6
105,000 - 109,999	9	4
110,000 - 114,999	-	4
115,000 - 119,999	-	5
120,000 - 124,999	4	9
125,000 - 129,999	9	5
130,000 - 134,999	9	3
135,000 - 139,999	1	-
140,000 - 144,999	1	2
145,000 - 149,999	3	-
155,000 - 159,999	-	1
160,000 - 164,999	1	-
165,000 - 169,999	1	-
170,000 - 174,999	-	1
175,000 - 179,999	1	-
230,000 - 234,999	1	-
	975	832

Termination Benefits

The table below details the number and cost of compulsory and voluntary severances packages agreed during the year for staff.

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025 £	2023/2024 £
£0 - £20,000	2	-	12	10	14	10	125,475	57,517
£20,001 - £40,000	2	-	2	7	4	7	114,653	217,116
£40,001 - £60,000	-	-	1	1	1	1	56,394	52,642
£60,001 - £80,000	-	-	1	1	1	1	78,543	61,689
£80,001 - £100,000	-	-	2	-	2	-	175,705	-
£100,001 - £150,000	1	-	-	-	1	-	138,125	-
£150,000+	-	-	1	2	1	2	240,423	440,618
Total amount included in the CIES	5	-	19	21	24	21	929,318	829,582

21. Pensions

As part of the terms and conditions of employment of its elected members, officers and other employees, the Group makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the group has a commitment to make the payments that needs to be disclosed at the time the employees earn their future entitlement.

Local Government Pension Scheme

The LGPS, administered by the London Pensions Fund Authority, is a defined benefit statutory scheme – from 1 April 2014 the LGPS became a career average revalued earnings scheme (benefits built up to 31 March 2014 are protected under the final salary scheme) – meaning that the GLA, OPDC and LLDC employees and elected officers pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The employer contributions payable to the London Pension Fund Authority are paid in at a percentage of employees’ pensionable earnings. The contribution rate is determined by the pension fund’s actuary based on triennial actuarial valuations, the 31 March 2022 actuarial valuation set the Authority’s employer contribution rate for the period 1 April 2023 to 31 March 2026 at 9.5%.

Under pension regulations, contribution rates are set to meet 100% of the overall liabilities of the Fund. The value of in-year employer contributions and the applicable contribution rates are set out in the table below.

	2024/25	2023/24	1 April 2023 - 31 March 2025	1 April 2020 - 31 March 2023
	£m	£m	%	%
GLA	7.3	7.0	9.5%	12.0%
OPDC	0.5	0.4	10.4%	12.0%
LLDC	3.0	1.5	12.0%	12.0%

Transactions Relating to Post-Employment Benefits

The cost of retirement benefits is recognised in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge made against council tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the CIES and the General Fund Balance via the Movement in Reserves Statement during the year:

2023/24 Authority £000	2023/24 Group £000	Cost of Retirement Benefits	2024/25 Authority £000	2024/25 Group £000
Comprehensive Income and Expenditure Statement				
Cost of Services				
8,386	10,651	Current service costs	9,119	11,278
117	131	Administration Fee	130	146
464	464	(Gain)/loss from settlements	285	2,120
8,967	11,246		9,534	13,544
Financing and Investment Income and Expenditure				
(2,963)	(2,910)	Net Interest Expense	(3,979)	(4,230)
6,004	8,336	Total Post-employment Benefit charged to the Surplus or Deficit on the Provision of Services	5,555	9,314
Other Post-employment Benefit charged to the Comprehensive Income and Expenditure Statement				
Remeasurement of the net defined benefit liability comprising:				
(16,271)	(14,114)	Return on plan assets (excluding the amount included in the net interest expense)	8,966	10,041
(10,381)	(7,956)	Actuarial (gains)/losses arising on changes in financial assumptions	(71,975)	(82,909)
(4,061)	(3,544)	Actuarial (gains)/losses arising on changes in demographic assumptions	(832)	(945)
1,200	1,044	Experience (gains)/losses on defined benefit obligation	(941)	(1,052)
-	-	Other actuarial (gains)/losses on assets	-	-
-	-	Changes in effect of asset ceiling	123,755	136,073
-	-	Deferred tax asset on the net defined benefit liability	-	(486)
(23,509)	(16,234)	Total Post-employment Benefit charged to the Comprehensive Income and Expenditure Statement	64,528	70,036
Movement in Reserves Statement				
(6,004)	(8,336)	Reversal of net charges made to the Surplus or Deficit on the Provision of Services for post-employment benefits in accordance with the Code	(5,555)	(9,314)
Actual amount charged against the General Fund Balance for pensions in the year				
6,982	8,870	Employers' contributions payable to the Local Government Pension Scheme	7,332	10,878

Pensions Asset and Liabilities recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the GLA's, OPDC's and LLDC's obligation in respect of their defined benefit plans is as follows:

2023/24			2024/25	
Authority £000	Group £000		Authority £000	Group £000
(374,922)	(425,751)	Present value of the defined benefit obligation	(325,922)	(372,867)
432,118	485,395	Fair Value of scheme assets (bid value)	449,677	508,940
-	-	Impact of the asset ceiling	(123,755)	(136,073)
57,196	59,644	Net (liability)/asset arising from defined benefit obligation	-	-

Reconciliation of fair value of the scheme (plan) assets:

2023/24			2024/25	
Authority £000	Group £000		Authority £000	Group £000
391,195	437,628	Opening fair value of scheme assets	432,118	485,395
20,454	22,738	Interest Income	22,488	25,288
		<i>Remeasurement gain/(loss):</i>		
16,271	18,353	Return on plan assets, excluding the amount included in the net interest expense	(8,966)	(10,041)
(117)	(131)	Administration expenses	(130)	(146)
-	(7)	Other actuarial gains/(losses)	-	-
6,982	8,870	Contributions from employer	7,332	10,878
5,792	7,203	Contributions from employees into the scheme	6,354	7,892
(8,459)	(9,259)	Benefits paid	(9,519)	(10,326)
432,118	485,395	Closing fair value of scheme assets	449,677	508,940

Reconciliation of present value of the scheme liabilities (defined benefit obligation)

2023/24 Authority £000	2023/24 Group £000		2024/25 Authority £000	2024/25 Group £000
(364,490)	(412,892)	Opening balance at 1 April	(374,922)	(425,751)
(8,386)	(10,651)	Current service cost	(9,119)	(11,278)
(17,491)	(19,828)	Interest cost	(18,509)	(21,058)
(5,792)	(7,203)	Contributions from scheme participants	(6,354)	(7,892)
4,061	4,578	Actuarial gains/(losses) arising from changes in demographic assumptions	832	945
10,381	12,806	Actuarial gains/(losses) arising from changes in financial assumptions	71,975	82,909
(1,200)	(1,356)	Experience gains/(loss) on defined benefit obligation	941	1,052
(464)	(464)	Past service costs, including curtailments	(285)	(2,120)
8,459	9,259	Estimated benefits paid net of transfers in	9,519	10,326
(374,922)	(425,751)	Closing balance at 31 March	(325,922)	(372,867)

Local Government Pension Scheme assets comprised (Bid Value):

Group		2024/25 Group Quoted Prices £000	%	2024/25 Group Unquoted Prices £000	%	2024/25 Total £000	20223/24 Group Quoted Prices £000	20223/24 Group Unquoted Prices £000	20223/24 Total £000
Equities									
<i>Basic Materials</i>	0.62%	3,156	-	-	-	3,156	3,641	-	3,641
<i>Consumer Discretionary</i>	8.61%	43,820	-	-	-	43,820	49,752	-	49,752
<i>Consumer Staples</i>	2.88%	14,658	-	-	-	14,658	16,504	-	16,504
<i>Energy</i>	0.44%	2,239	-	-	-	2,239	2,330	-	2,330
<i>Financials</i>	7.99%	40,666	-	-	-	40,666	34,900	-	34,900
<i>Health Care</i>	3.98%	20,256	-	-	-	20,256	18,105	-	18,105
<i>Industrial</i>	10.79%	54,894	-	-	-	54,894	49,852	-	49,852
<i>Real Estate</i>	0.42%	2,138	-	-	-	2,138	1,990	-	1,990
<i>Technology</i>	15.54%	79,068	-	-	-	79,068	71,548	-	71,548
<i>Materials</i>	0.49%	2,203	-	-	-	2,203	-	-	-
<i>Telecommunication</i>	0.71%	3,483	-	-	-	3,483	2,912	-	2,912
<i>Utilities</i>	0.00%	421	-	-	-	421	3,010	-	3,010
<i>Fixed Income & Other</i>	0.08%	407	-	-	-	407	242	-	242
Trade Cash/Pending	0.71%	3,665	-	-	-	3,665	4,902	-	4,902
Private Equity	-	-	5.73%	29,161	-	29,161	-	34,218	34,218
Fixed Income	-	19,289	-	-	-	19,289	11,698	-	11,698
Investment/Hedge funds and Unit trusts	3.79%	102	-	-	-	102	14,270	-	14,270
Credit	0.02%	-	-	73,035	-	73,035	-	57,763	57,763
Infrastructure	-	-	14.35%	58,072	-	58,072	-	55,751	55,751
Property Fund/Real Estate	-	-	11.41%	46,365	-	46,365	-	44,397	44,397
Cash	2.29%	11,656	9.11%	-	-	11,656	7,476	-	7,476
Cash at bank	-	-	-	-	-	-	-	-	-
LDI	-	-	-	-	-	-	-	-	-
Currency (forward contracts)	-	-	0.04%	186	-	186	-	134	134
Total	59.36%	302,121	40.64%	206,819		508,940	293,132	192,263	485,395

Local Government Pension Scheme assets comprised (Bid Value):

Authority		2024/25		2024/25		2024/25	2023/24	2023/24	2023/24
	%	Authority	%	Authority	Total	Authority	Authority	Authority	Total
		Quoted		Unquoted		Quoted	Unquoted	Unquoted	
		Prices		Prices		Prices	Prices	Prices	
		£000		£000	£000	£000	£000	£000	£000
Equities									
<i>Basic Materials</i>	0.62%	2,788	-	-	2,788	3,241	-	-	3,241
<i>Consumer Discretionary</i>	8.61%	38,717	-	-	38,717	44,291	-	-	44,291
<i>Consumer Staples</i>	2.88%	12,951	-	-	12,951	14,692	-	-	14,692
<i>Energy</i>	0.44%	1,979	-	-	1,979	2,074	-	-	2,074
<i>Financials</i>	7.99%	35,929	-	-	35,929	31,069	-	-	31,069
<i>Health Care</i>	3.98%	17,897	-	-	17,897	16,118	-	-	16,118
<i>Industrial</i>	10.79%	48,497	-	-	48,497	44,378	-	-	44,378
<i>Real Estate</i>	0.42%	1,889	-	-	1,889	1,772	-	-	1,772
<i>Technology</i>	15.54%	69,856	-	-	69,856	63,693	-	-	63,693
<i>Materials</i>	0.49%	2,203	-	-	2,203	-	-	-	-
<i>Telecommunication</i>	0.71%	3,193	-	-	3,193	2,593	-	-	2,593
<i>Utilities</i>	0.00%	-	-	-	-	2,679	-	-	2,679
<i>Fixed Income & Other</i>	0.08%	360	-	-	360	216	-	-	216
<i>Trade Cash/Pending</i>	0.72%	3,238	-	-	3,238	4,364	-	-	4,364
<i>Private Equity</i>			5.73%	25,766	25,766		30,464		30,464
					-				-
<i>Fixed Income</i>	3.79%	17,043	-	-	17,043	10,414	-	-	10,414
<i>Investment/Hedge funds and Unit trusts</i>	0.02%	90	-	-	90	12,704	-	-	12,704
<i>Credit</i>	-	-	14.35%	64,529	64,529	-	51,421	-	51,421
<i>Infrastructure</i>	-	-	11.41%	51,308	51,308	-	49,628	-	49,628
<i>Property Fund/Real Estate</i>	-	-	9.11%	40,966	40,966	-	39,522	-	39,522
<i>Cash</i>	2.29%	10,298	-	-	10,298	6,655	-	-	6,655
<i>Currency (forward contracts)</i>	-	-	0.04%	180	180	-	130	-	130
Total	59.36%	266,928	40.64%	182,749	449,677	260,953	171,165	171,165	432,118

Basis for Estimating Assets and Liabilities

The actuarial valuation, undertaken by Barnett Waddingham, an independent actuarial firm, involves determining the value of pension benefits that have been accrued by LGPS members and comparing this to the value of the assets held in respect of these pension benefits.

When carrying out a funding valuation, they receive data for each individual member and information on their accrued pension benefits. They then project each members' benefits into the future based on a set of assumptions (e.g., salary increases and pension increases) and allowing for the probability that these future benefits will be paid (e.g. the probability of a death benefit being paid on a death in active service). Through an approach known as 'discounting', these projected benefit cashflows are summarised into a figure known as the "present value of obligations", or more commonly the "liability", and this represents the value of the future benefits at the current valuation date. A discount rate assumption is used which represents the future investment return on the fund's assets.

In the case of the accounting valuation used for figures reported in these statements, the full valuation of member data, as described in the preceding paragraph, is not plausible and therefore a roll forward approach is usually adopted instead. A roll-forward approach involves estimating an employer's assets and liabilities from the latest full valuation (i.e., using individual member data) which was carried out. This involves using cashflow information to estimate changes in the assets and liabilities since the latest full valuation.

The assets and the liabilities are then compared. If the assets are more than the liabilities, then there is a surplus and if they are less than the liabilities then there is a deficit. Under the rules of the Local Government Pension Scheme (LGPS), the Authority does not have an unconditional right to a refund of surplus contributions. This is due to the expectation that the Authority will continue to participate in the scheme for the foreseeable future, with no realistic prospect of exiting the fund.

In accordance with the requirements of IAS 19 Employee Benefits and IFRIC 14 – The Limit on a Defined Benefit Asset, an asset ceiling assessment has been performed. This assessment considers the availability of the surplus to the Authority in the form of either a refund or a reduction in future contributions.

As the Authority is not expected to benefit from any economic return from the surplus, the net defined benefit asset has been restricted to nil on the balance sheet.

The principal assumptions used by the actuary in their calculations have been:

	2024/25 Authority	2024/25 Group	2023/24 Authority	2023/24 Group
Expected return on assets	5.90%	4.95%	4.95%	4.95%
Mortality Assumptions				
Longevity at 65 for current pensioners				
Men	22.1	22.0 - 22.6	22.1	22.1 - 22.4
Women	24.5	24.0 - 24.5	24.4	23.9 - 24.4
Longevity at 65 for future pensioners				
Men	22.6	22.3 - 23.5	22.6	22.3 - 23.2
Women	25.4	25.2 - 25.8	25.4	25.3 - 25.6
Rate of inflation - CPI	2.85%	2.85% - 2.90%	2.90%	2.85%-2.90%
Rate of increase in salaries	3.85%	3.85% - 3.90%	3.90%	3.85%-3.90%
Rate of increase in pensions	2.85%	2.85% - 2.90%	2.90%	2.85%-2.9%
Rate for discounting scheme liabilities	5.90%	5.90% - 5.95%	4.95%	4.95%

The return on the fund (on a bid value to bid value basis) for the year to 31 March 2025 is::

GLA 3.11%
 LLDC 3.11%
 OPDC 2.10%

The return on the fund (on a bid value to bid value basis) for the year to 31 March 2024 was:

GLA 9.34%
 LLDC 9.34%
 OPDC 10.96%

Sensitivity Analysis

The following table reports on the sensitivity of the value of the defined benefit obligation to increases or decreases in key assumptions.

Impact on the Defined Benefit Obligation in the Scheme

	2024/25		
	Increase in Assumption £000	Actual £000	Decrease in Assumption £000
Longevity (increase or decrease in 1 year)			
Greater London Authority	(334,655)	(325,922)	(317,435)
London Legacy Development Corporation	(42,145)	(41,214)	(40,303)
Old Oak and Park Royal Development Corporation	(5,861)	(5,731)	(5,604)
GLA Group	(382,661)	(372,867)	(363,342)
Rate of increase in salaries (increase or decrease by 0.1%)			
Greater London Authority	(326,254)	(325,922)	(325,593)
London Legacy Development Corporation	(41,277)	(41,214)	(41,152)
Old Oak and Park Royal Development Corporation	(5,737)	(5,731)	(5,725)
GLA Group	(373,268)	(372,867)	(372,470)
Rate of increase in pensions (increase or decrease by 0.1%)			
Greater London Authority	(331,896)	(325,922)	(320,111)
London Legacy Development Corporation	(42,080)	(41,214)	(40,374)
Old Oak and Park Royal Development Corporation	(5,887)	(5,731)	(5,580)
GLA Group	(379,863)	(372,867)	(366,065)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)			
Greater London Authority	(319,962)	(325,922)	(332,050)
London Legacy Development Corporation	(40,337)	(41,214)	(42,117)
Old Oak and Park Royal Development Corporation	(5,579)	(5,731)	(5,889)
GLA Group	(365,878)	(372,867)	(380,056)

Impact on the Defined Benefit Obligation in the Scheme

	2023/24		Decrease in Assumption £000
	Increase in Assumption £000	Actual £000	
Longevity (increase or decrease in 1 year)			
Greater London Authority	(386,360)	(374,922)	(363,845)
London Legacy Development Corporation	(45,608)	(44,461)	(43,343)
Old Oak and Park Royal Development Corporation	(6,586)	(6,368)	(6,205)
GLA Group	(438,554)	(425,751)	(413,393)
Rate of increase in salaries (increase or decrease by 0.1%)			
Greater London Authority	(375,341)	(374,922)	(374,507)
London Legacy Development Corporation	(44,540)	(44,461)	(44,383)
Old Oak and Park Royal Development Corporation	(6,379)	(6,368)	(6,357)
GLA Group	(426,260)	(425,751)	(425,247)
Rate of increase in pensions (increase or decrease by 0.1%)			
Greater London Authority	(382,393)	(374,922)	(367,667)
London Legacy Development Corporation	(45,452)	(44,461)	(43,501)
Old Oak and Park Royal Development Corporation	(6,550)	(6,368)	(6,193)
GLA Group	(434,395)	(425,751)	(417,361)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)			
Greater London Authority	(367,408)	(374,922)	(382,662)
London Legacy Development Corporation	(43,445)	(44,461)	(45,509)
Old Oak and Park Royal Development Corporation	(6,186)	(6,368)	(6,557)
GLA Group	(417,039)	(425,751)	(434,728)

Impact on future cash flows

Authority

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The latest triennial valuation has set the annual employer's contribution at 9.5% until 31 March 2026. Funding levels are monitored on an annual basis.

Group

The total contributions expected to be made to the Local Government Pension Scheme by the Group in the year to 31 March 2026 is £9.3 million.

The weighted average duration of the defined benefit obligation for scheme members ranges from 20 to 29 years (21 to 31 years for 2023-24).

UK High Court (Virgin Media Limited v NTL Pensions Trustees II Limited)

In June 2023, the UK High Court (Virgin Media Limited v NTL Pensions Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation. The judgment has now been upheld by the Court of Appeal.

The Local Government Pension Scheme is a contracted out defined benefit scheme and amendments have been made during the period 1996 to 2016 which could impact member benefits. Work is being performed by the Government Actuary's Department as the Local Government Pension Scheme actuary to assess whether section 37 certificates are in place for all amendments and some of these have been confirmed however, at the date of these financial statements, the full assessment is not complete. Until this analysis is complete, we are unable to conclude on whether there is any impact to the liabilities or if it can be reliably estimated. As a result, the Authority, LLDC and OPDC do not consider it necessary to make any allowance for the potential impact of the Virgin Media case in its financial statements.

Greater London Authority AVIVA master trust scheme

The Greater London Authority AVIVA master trust scheme is a defined contribution scheme open to the Mayor and Assembly Members.

Employer contributions are payable at 12% of pensionable pay. A total of £0.17 million employer contributions were paid in 2024-25 (£0.16 million for 2023-24).

22. External Audit Costs

The Authority and Group have incurred the following costs in relation to the audit of the Statement of Accounts for services provided by external auditors.

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Fees payable to external auditors with regard to external audit services carried out by the appointed auditor	721	1,737	436	1,066
Fees payable in respect of other services provided by the external auditors during the year	4	4	-	-
	725	1,741	436	1,066

Authority 2024-25 – The 0.7 million Authority audit fee figure in the table above represents the £0.4 million planned fee for 2024-25 offset by a reduction of £0.03 million to the 2022-23 audit fee post Public Sector Audit Appointment (PSAA) review. An additional estimation of £0.3 million variation fee for 2023-24 has been proposed by our auditors and is subject to approval by PSAA, meaning that the total proposed 2023-24 audit fee for the Authority is £0.7 million. Additional fees of £4.5k were charged in relation to other audit work.

Authority 2023-24 - The £0.4 million chargeable to 2023-24 for Authority audit fees consists of £0.4 million for 2023-24, an additional £0.06 million in respect of 2022-23 and a reduction of £0.03 million in respect of 2021-22.

Authority – the audit fees attributable to the current and prior years are:

	£000
2024-25	427
2023-24	722
2022-23	254
2021-22	232

23. Agency arrangements

The GLA was the designated Intermediate Body (IB) for the management and administration of the European Regional Development Fund (ERDF) programmes in London and carried out the function on behalf of MHCLG under Article 123 of EC Regulation 1303/2013. In carrying out this function, the GLA acted as MHCLG’s agent, making funding decisions and entering into contracts on behalf of MHCLG. Post the UK’s withdrawal from the European Union, the Authority continues to act on behalf of MHCLG in respect of returned ERDF funds. The Authority has a duty to ensure that recycled funds continue to be used to support sustainable urban development.

London Green Fund (LGF) (formerly JESSICA Holding Fund London)

The Joint European Support for Sustainable Investment in City Area (JESSICA) was a policy initiative of the European Commission, supported by the European Investment Bank (EIB), and designed to help the authorities in the Member States of the European Union to exploit financial engineering mechanisms to support investment in sustainable urban development in the context of the cohesion policy. Under this programme, Managing Authorities (MHCLG for England) were allowed to use some of their Structural Funds, principally those supported by the ERDF to invest in Urban Development Funds to accelerate investment in urban areas.

For the London region, MHCLG’s ERDF investment was matched funded by the London Waste and Recycling Board (LWARB) and the London Development Agency (LDA). In October 2009, the LDA, LWARB and the EIB signed a funding agreement for the purpose of establishing the JESSICA Holding Fund, also known as the London Green Fund. On 1 July 2011, when the operational responsibilities for the ERDF transferred to the GLA, the responsibility for MHCLG’s ERDF contribution transferred also.

£110 million has been invested and comprises £60 million of ERDF, £18 million of LWARB and £32 million of GLA (formerly LDA) funds. The

LGF provides funding for three urban development funds that invest directly in waste, energy efficiency, decentralised energy and social housing programmes.

The Authority manages the fund on behalf of itself, LWARB and the ERDF (MHCLG).

During the year, the Authority received £2.2 million (£3.9 million in 2023-24) in interest on the balances invested and part payment of the original investment, net of fund manager fees; and at 31 March 2025 is holding balances totalling £19.1 million (£16.8 million at 31 March 2024).

During the year, ERDF receipts totalled £2.2 million (£4.4 million in 2023-24) and at 31 March 2025 the balance of ERDF cash totalled £0.7 million (£21.2 million at 31 March 2024), as a creditor on behalf of the MHCLG.

Mayor of London's Energy Efficiency Fund (MEEF)

The Mayor of London's Energy Efficiency Fund (MEEF) is a low carbon infrastructure fund providing repayable finance to viable projects across London. The Authority, in its role as Intermediate Body and MHCLG's agent, committed some £73.8 million of European Regional Development Fund (ERDF) funding to the MEEF (including via MD2165, MD2597 and MD3062) and on 29 June 2018 was admitted as a limited partner in the MEEF Limited Partnership.

The ERDF programme closed on 31 December 2023. The ERDF funding was paid directly from MHCLG to Amber Infrastructure Limited and was invested through the MEEF. Returns related to ERDF funding will be held as a creditor in the balance sheet.

24. Mayor's Community Infrastructure Levy (MCIL)

In 2012, the Mayor agreed his MCIL charging schedule to be applied to developments consented on or after 1 April 2012 and was collected by London boroughs once development commences.

The setting of a London-wide Community Infrastructure Levy is a power given to the Mayor under the Planning Act 2008 designed to raise money for the infrastructure needed to develop an area.

The Levy was charged on most developments in London at the following rates, which were subject to annual indexation, in line with the Tender Price Index:

Zone 1 boroughs - £50 per square metre

Camden, City of London, City of Westminster, Hammersmith and Fulham, Islington, Kensington and Chelsea, Richmond-upon-Thames, Wandsworth

Zone 2 boroughs - £35 per square metre

Barnet, Brent, Bromley, Ealing, Greenwich, Hackney, Haringey, Harrow, Hillingdon, Hounslow, Kingston upon Thames, Lambeth, Lewisham, Merton, Redbridge, Southwark, Tower Hamlets

Zone 3 boroughs - £20 per square metre

Barking and Dagenham, Bexley, Croydon, Enfield, Havering, Newham, Sutton, Waltham Forest

Mayor's Community Infrastructure Levy 2 (MCIL2)

On 1 April 2019, following successfully passing an Examination in Public, MCIL2 replaced MCIL and the Crossrail Section 106 charge on office, retail and hotel development in certain parts of London. The MCIL2 rates apply to all planning permissions granted from 1 April 2019 and may also apply to some phased planning permissions granted before the 1 April 2019.

The new MCIL2 charges, which will also be subject to annual indexation, are as follows:

Zone 1 boroughs - £80 per square metre

Camden, City of London, City of Westminster, Hammersmith and Fulham, Islington, Kensington and Chelsea, Richmond-upon-Thames, Wandsworth

Zone 2 boroughs - £60 per square metre

Barnet, Brent, Bromley, Ealing, Enfield, Hackney, Haringey, Harrow, Hillingdon, Hounslow, Kingston upon Thames, Lambeth, Lewisham, Merton, Redbridge, Southwark, Tower Hamlets, Waltham Forest, London Legacy Development Corporation (LLDC), Old Oak and Park Royal Development Corporation (OPDC)

Zone 3 boroughs - £25 per square metre

Barking and Dagenham, Bexley, Croydon, Greenwich, Havering, Newham, Sutton

MCIL2 charging rates for office, retail and hotel in Central London and Isle of Dogs:

Office - £185 per square metre

Retail - £165 per square metre

Hotel - £140 per square metre

From 2019-20 the GLA has been permitted under regulations approved by Parliament (The Community Infrastructure Levy (Amendment) (England) Regulations 2019) to apply MCIL for capital financing purposes for the Elizabeth line (referred to in the legislation as 'the Crossrail project'). The Community Infrastructure Levy (Amendment) (England) Regulations 2021 laid before Parliament in March 2021 following the November 2020 Crossrail funding deal permit the Mayor to apply MCIL and MCIL2 revenues to finance and repay the GLA's Crossrail debt up to 31 March 2043.

In 2024-25, MCIL has raised £119.4 million (£163.3 million in 2023-24), after deductions of £1.7 million allowable collection and administration costs and a provision for non-collection with all money being directed towards financing the GLA's contributions towards the cost of delivering the Elizabeth Line. MCIL is recognised in the CIES as income and is reported within the Taxation and Non-Specific Grant Income and Expenditure, see Note 13.

25. Property, Plant and Equipment

	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Assets Under Construction £000	Total Property, Plant and Equipment £000	Land and Buildings £000	Vehicles, Plant, Furniture & Equipment £000	Assets Under Construction £000	Total Property, Plant and Equipment £000
Cost or Valuation								
Balances at 31 March	4,041	40,039	6,841	50,921	4,042	38,372	3,268	45,682
Reclassification of City Hall from Investment Property to PPE	17,624	-	-	17,624	-	-	-	-
Balances at 1 April	21,665	40,039	6,841	68,545	4,042	38,372	3,268	45,682
Additions	-	1,366	2,632	3,998	-	3,355	3,692	7,047
Revaluation increases/(decreases) recognised in the revaluation reserve	(153)	-	-	(153)	-	-	-	-
Derecognition- disposals	(1)	(1,139)	-	(1,140)	-	(2,473)	-	(2,473)
Derecognition- other	-	-	6	6	-	-	(119)	(119)
Other movements in cost or valuation	-	-	(4,333)	(4,333)	-	785	-	785
At 31 March	21,511	40,266	5,146	66,923	4,042	40,039	6,841	50,922
Accumulated Depreciation and Impairment								
Balances at 1 April	(94)	(13,294)	-	(13,388)	(76)	(12,340)	-	(12,416)
Depreciation charged to the (Surplus)/Deficit on the Provision of Services	(828)	(2,525)	-	(3,353)	(48)	(2,642)	-	(2,690)
Depreciation written out to the Revaluation Reserve	30	-	-	30	30	-	-	30
Derecognition- disposals	-	1,139	-	1,139	-	2,473	-	2,473
Derecognition- other	-	(78)	(6)	(84)	-	-	-	-
Other movements in depreciation and impairment	-	(321)	-	(321)	-	(785)	-	(785)
At 31 March	(892)	(15,079)	(6)	(15,977)	(94)	(13,294)	-	(13,388)
Net Book Value								
At 1 April	21,571	26,745	6,841	55,157	3,966	26,032	3,268	33,266
At 31 March	20,619	25,187	5,140	50,947	3,948	26,745	6,841	37,533

Revaluations

Valuations of land and buildings held for operational or administrative purposes are undertaken every year at 31 March by registered RICS Valuers external valuers, JLL; the details of significant land and buildings and carrying values at 31 March 2025 are set out below:

- GLA - 639 High Road, Tottenham - a community centre facility. It is held at existing use value (EUV) and at 31 March 2025 had a value of £1.7 million.
- GLA - Crystal Palace National Sports Centre (CPNSC) transferred from GLAP to GLA on 1 April 2022. It is held at existing use value (EUV) and at 31 March 2025 had a value of £1, reflecting the extent of repair works required to restore the asset to full working order.

- Group – City Hall is owned by GLAP and is held as an investment property on GLAP’s balance sheet. City Hall is leased by GLA from GLAP and is an operational asset from a group perspective. For group reporting, City Hall as a right of use asset has been eliminated from GLA’s balance sheet and the investment property in GLAP’s books has been reclassified as PPE in the group balance sheet.
- Assets under Construction relates to expenditure incurred in relation to the East Bank project (LLDC) and renovation works in relation to CPNSC (GLA).

Valuations were carried out in accordance with the Practice Statements contained in the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors and the RICS Valuation – Global Standards (effective 31 January 2022) and UK national supplement as applicable (RICS Red Book), by valuers who conform to the requirements thereof.

26. Investment Properties

The following table summarises the movement in the fair value of investment properties over the year:

	Group 2024/25 £000	Group 2023/24 £000
Balance at 31 March 2024	194,288	186,418
Reclassification of City Hall from Investment Property to PPE	(17,625)	-
Balance at 1 April 2024	176,663	186,418
Additions:		
Purchases	105,345	77,564
Subsequent expenditure	38,055	42,475
Disposals	-	(6,386)
Net gains/(losses) from fair value adjustments	(14,296)	(105,783)
Other Changes	93	-
Balance at 31 March	305,860	194,288

27. Investment Properties - Valuations

The Group investment portfolio was valued as at 31 March 2025 by JLL Limited. The investment property portfolio is now valued at £305.9 million a net increase in the carrying value of £111.6 million from the prior year. This is largely driven by OPDC’s in-year purchase of investment properties and LLDC achieving key milestones on schemes and potential offers on planned disposals.

In line with the Mayor's commitment to affordable housing, a portfolio approach has been adopted whereby 50% of the homes delivered across the sites at Pudding Mill, Rick Roberts Way, and the residential element of Stratford Waterfront are affordable homes. This is factored into the valuation for these development sites, which have not yet started on site (and so continue to be classified as investment properties).

Asset	31 March 2025 £000	31 March 2024 £000	Change £000	Basis
LLDC				
London Aquatics Centre	(1,300)	(2,800)	1,500	Sports and Leisure Management (SLM) T/A Everyone Active was appointed as the new operator of the facility in March 2024. The valuation of the asset (inclusive of the car park) has been based on the new 8-year service agreement where SLM will be responsible for all maintenance and repair of the facility with LLDC subsidising SLM via an annual client rebate.
Copper Box Arena	5,355	6,540	(1,185)	The valuation (inclusive of the car park) is based on rental income of the 10-year operating lease with Greenwich Leisure Limited (GLL) entered in March 2024. The valuation also reflects the potential income from the commercial rights of the venue.
Here East (former Press and Broadcast Centre)	11,280	11,040	240	The valuation of the former Press and Broadcast Centre (known as Here East) is based on the potential net rental income that LLDC will receive.
Multi Storey Car park	14,180	6,190	7,990	The valuation of the Multi Storey Car Park is based on the rental income streams, which includes events and adhoc revenue.
London Stadium freehold	960	817	143	The Stadium is subject to a lease with London Stadium LLP until 2115. The Legacy Corporation reversionary interest discounted back to the present day is valued at £0.9m.
ArcelorMittal Orbit	(2,850)	(1,175)	(1,675)	The ArcelorMittal Orbit valuation is based on the expected rental cash flow from the 10-year lease with Zip World, which commenced in January 2025, offset by the remaining capital expenditure to be incurred by LLDC on renovation.
Riverside East freehold	4,485	4,725	(240)	The valuation is based on the rental income and potential turnover rental income share from the new 7-year lease with Peppermint Events Limited.
Development plots	83,815	45,340	38,475	Reflects residual valuations of residential development plots for Eastwick and Sweetwater, Pudding Mill Lane, Rick Roberts Way, Stratford Waterfront and Bridgewater where development has not commenced. The valuation reflects development agreements, factoring any grants to offset construction costs borne by LLDC.
3 Mills Studios	13,050	10,400	2,650	The 3 Mills Studios site is held on a lease ending in 2103. It has been valued using a discounted cash flow based on the rental income and operating expenses associated with the lease.
5 Hancock Road	3,310	3,385	(75)	The valuation is based on the estimated rental value of the property.
Other assets	384	269	115	Other sites, including Timberlodge and Kiosks, have been valued using a expected rental values from the new lease agreements applying an appropriate yield and comparable market value information from similar sites. The net increase in market value is mainly due to increased rental income.
East Bank Retail Units	5,370	-	5,370	Stratford Waterfront Retail Company (SWRMC) - these are retail units at East Bank. The value of the retail units is £5.37m (2024: £nil) the increase reflecting completion of major capital work and execution of tenant leases. The valuation is based on the estimated rental value of these units reflecting agreements/heads of terms for the units that are let and market terms similar to those not yet let.
East Bank (Public Realm)	(1,970)	(3,240)	1,270	The valuation at 31 March 2025 reflects the remaining costings and the East Bank freehold long leases by the LLDC to SWRMC. The management company also leases a small office from LLDC located on the Public Realm; this is factored into the valuation.
LLDC Total	136,069	81,491	54,578	

GLAP

1-3 Salamons Way, Dagenham	1,408	1,217	191	The valuation of the land at 1-3 Salamons Way is based on comparable market prices offset by the cost of remediation works.
Workspace	1,875	1,600	275	The valuation is based on open market value taking into account the irregular shape and inefficiency of the site and that approximately 0.53 acres is safeguarded for a new bus lane. The cost of remediation work has also been reflected in the valuation.
Hoxton Workspaces, Hoxton	2,328	2,300	28	The property is a mid-terrace, four storey building dating from the late 1800s which has been converted into 16 office suites/workshop units. The valuation is based on the rental income streams discounted at an appropriate discount rate.
Armada Green Recreation Area	3,710	3,550	160	Armada Green Recreation Area is an irregular shaped piece of amenity land measuring 0.86 acres, which is used for recreation. The valuation is based on the NPV calculation of future land payments under the development agreement.
Albert Island Plots	12,755	12,144	611	Albert Island is an irregularly shaped island site is currently being used mainly for open storage and marina purposes. The site is broadly flat and is covered by a mixture of tarmac, concrete and vegetation, although it also contains some temporary buildings. The valuation is based on the NPV calculation of future land payments under the development agreement.
Landmark Site (Crystal Building)	-	17,625	(17,625)	The Landmark Site has been let to the Greater London Authority and is the City Hall building. At 31 March 2024 the valuation was based on the capitalised rental income under the lease agreement with the Greater London Authority. At 31 March 2025 the asset has been reclassified as PPE as it is an operational asset used by the group as an office building.
Brunel St Works	5,363	5,366	(3)	Brunel Street Works comprises commercial units situated at the ground floor of a large residential development. The valuation is based on the discounted estimated rental income less the fit out costs required to bring the commercial units to the rental market.
Other Assets	6,272	5,950	322	Various smaller sites and reversionary interests valued using various methodologies including expected rental values discounted at an appropriate yield and comparable market value information.
GLAP Total	33,711	49,752	(16,041)	

OPDC

Old Oak Café	850	855	(5)	Single storey café with adjacent car park. Valuation based on existing use for remainder of current lease then reverts to open storage use.
Midland Gate & Midland Terrace	5,000	6,700	(1,700)	Open storage land. Valuation based on existing use having regard to the tenancy which is in place. Midland Terrace - Terraced house comprising 2x residential flats. The comparable method of valuation using nearby transactional evidence was used to determine the market value.
Atlas Wharf	17,250	25,000	(7,750)	Vacant car park with planning permission to build c450 residential units. The valuation is based on a residual appraisal.
Ursula Lapp	17,950	2,008	15,942	The Property has 6 industrial and office units which are subject to 4 leaseholders. The property also receives an income from photovoltaics. Valuation based on existing use having regard to the tenancies which are in place.
Minerva Road	4,200	491	3,709	Warehouse and office unit with access road. Valuation based on existing use assuming full vacant possession.
Kildun Court	4,650	-	4,650	Block of 10 residential apartments. Valuation based on residential use having regard to the existing lease to HS2.
Sarastro Substation	30	-	30	Electricity substation adjacent to Sarastro site. Valuation based on existing use.
2a Victoria Terrace	275	-	275	One bedroom ground floor flat. The comparable method of valuation using nearby transactional evidence was used to determine the market value.
1 & 2 Goodhall Street	1,475	-	1,475	Two 2 storey business units with car parking spaces. Valuation based on existing use having regard to the tenancies which are in place.
Sarastro Holdings Ltd.	10,250	10,641	(391)	Land and property at Units 2-6 and The Observatory, Old Oak Common Lane, London, NW10. Valuation based on existing use having regard to the tenancies which are in place.
Lord's Builders Merchant (Old Oak Wharf (Holdings) Ltd)	17,600	17,350	250	Large industrial unit and adjacent land let to a builder's merchants. Valuation based on existing use having regard to the tenancy which is in place.
Atlas Road Bus Depot (Park Score Ltd.)	26,450	-	26,450	Four acre site containing a bus depot including workshop areas, vacant land and access road. Valuation based on existing use having regard to the tenancies which are in place.
Websters Yard (Regency PR2 Ltd.)	26,600	-	26,600	Fully concrete surfaced storage yard covering 3.3 acres. Valuation based on existing use having regard to the tenancy which is in place.
Boden (Dinemill Ltd.)	3,500	-	3,500	Substantial modern office block. Valuation based on existing use having regard to the tenancies which are in place.
OPDC Total	136,080	63,045	73,035	
Total	305,860	194,288	111,572	

GLA Group Investment Property

In 2024-25 net losses in the fair value of investment property of £14.3 million are recognised in the Surplus or Deficit on the Provision of Services.

Amounts recognised as rental income and operating expenses

	Group 2024/25 £000	Group 2023/24 £000
Rental Income	(17,847)	(15,566)
Operating Expenditure	12,385	13,974
Net deficit/(surplus)	(5,462)	(1,592)

Revaluations

The valuations were undertaken by JLL external, independent property valuers with valuations provided as at 31 March 2025. They are registered RICS Valuers and the valuations were carried out in accordance with the Practice Statements contained in the RICS Red Book.

See Note 5 for key assumptions in relation to asset valuations and sources of estimation uncertainty.

Fair value hierarchy

The Group's classification of investment properties in the fair value hierarchy as at 31 March 2025 is as follows:

2024/25

	Quoted prices in active markets for identical assets	Other significant observable inputs	Significant unobservable inputs	Fair Value as at 31 March 2025
	Level 1 £000	Level 2 £000	Level 3 £000	£000
Recurring fair value measurements using:				
London Legacy Development Corp.				
Queen Elizabeth Olympic Park (excl. East Bank)	-	83,815	-	83,815
East Bank public realm and Carpenters Land Bridge	-	-	(1,970)	(1,970)
Commercial units	-	25,460	22,859	48,319
Other assets	-	-	5,905	5,905
	-	109,275	26,794	136,069
GLA Land and Property Ltd.				
Commercial units	-	-	33,270	33,270
Residential properties	-	-	441	441
	-	-	33,711	33,711
Old Oak and Park Royal Development Corporation				
Land and buildings	-	-	23,705	23,705
Commercial units	-	-	2,325	2,325
Industrial units	-	-	92,800	92,800
Vacant car park	-	-	17,250	17,250
	-	-	136,080	136,080
Balance at 31 March 2025	-	109,275	196,585	305,860

2023/24

	Quoted prices in active markets for identical assets	Other significant observable inputs	Significant unobservable inputs	Fair Value as at 31 March 2024
	Level 1 £000	Level 2 £000	Level 3 £000	£000
Recurring fair value measurements using:				
London Legacy Development Corp.				
Queen Elizabeth Olympic Park (excl. East Bank)	-	45,340	-	45,340
East Bank public realm and Carpenters Land Bridge	-	-	(3,240)	(3,240)
Commercial units	-	17,230	14,409	31,639
Other assets	-	-	7,752	7,752
	-	62,570	18,921	81,491
GLA Land and Property Ltd.				
Commercial units	-	-	49,310	49,310
Residential properties	-	-	442	442
	-	-	49,752	49,752
Old Oak and Park Royal Development Corporation				
Land and buildings	-	-	18,196	18,196
Industrial units	-	-	19,849	19,849
Vacant car park	-	-	25,000	25,000
	-	-	63,045	63,045
Balance at 31 March 2024	-	62,570	131,718	194,288

This hierarchy categorises into three levels the inputs to valuation techniques used to measure fair value; these include:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 inputs – unobservable inputs for the asset or liability

Transfers between Levels of the Fair Value Hierarchy

The Group policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

GLAP, LLDC and OPDC – there were no transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. All OPDC acquisitions in year were classified as Level 3.

Valuation techniques used to determine fair values

The Group's investment properties are measured using a combination of an income and market comparison approach. Under the income approach, values are determined by means of either the discounted cash flow method, where the expected cash flows from the properties are discounted to establish the present value of the net income stream or the direct capitalisation method where a capitalisation rate is applied, as a multiplier, against the current and, if any, reversionary income streams. The approaches use the Group's own data requiring it to factor in assumptions such as the duration, timing of cash inflows/outflows, rent growth, property location, maintenance costs etc.

Significant Observable Inputs – Level 2 (LLDC)

The fair value for the residential properties is based on the market approach using current market conditions (e.g. construction prices), discount rate and recent sales prices, and other relevant information for similar assets in the local area. Where there is readily available market information for specific assets this has been used to determine the value of the asset.

Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to other properties (Here East and the Multi Storey Car Park) also being categorised at Level 2 in the fair value hierarchy.

Significant Unobservable Inputs – Level 3 (LLDC and OPDC)

The ArcelorMittal Orbit and Other Assets consisting of Timberlodge and Kiosks are measured using the income approach, by means of the discounted cash flow method, where the expected cash flows from the properties are discounted (using a market-derived discount rate) to establish the present value of the net income stream. The approach was developed using the LLDC's own data requiring it to factor in assumptions such as the duration and timing of cash inflows and outflows, rent growth, occupancy levels, bad debt levels, maintenance costs, etc.

The Stadium Island land value is a discounted estimate of the land value following the end of the current lease period in 2115. Therefore, a change in the inputs would impact the fair value of the asset.

The East Bank assets are valued based on the estimated costs to build those specific assets.

3 Mills Studios is measured using an investment method where a discounted cash flow is updated using the authority's own data for expected trading results to determine the valuation of 3 Mills Studios as a trading asset. Changes in the market conditions which could impact expected income growth, or occupancy levels would impact the fair value of the asset.

5 Hancock Road asset (LLDC) and Minerva Road, Lord's, Sarastro, Kildun Court, Goodhall Street, Atlas Road Bus depot, Websters Yard, Boden and Ursula Lapp (OPDC) are valued using market-based inputs to determine the estimated rental valuation of the asset. Changes to the industrial market rental values would impact the fair value of the asset.

Old Oak Café, Midland Gate and Atlas Wharf (OPDC) are assessed based on development (residual land) value which requires the financial modelling of a development. The key inputs are comparable evidence of recent sales to determine the gross development value and estimates of construction costs, disposal costs and CIL costs. For some properties, special assumptions are made that planning consent would be granted for a residential development with assumed levels of affordable housing provision.

Midland Terrace and Victoria Terrace (OPDC) are measured using adjusted comparable evidence of the sales of similar properties. A comparison was made with a property in a similar condition but adjustments were made as the comparable property was not located close to any major transport links. Another sale that informed the valuation was also adjusted to reflect the comparatively smaller unit sizes in Midland Terrace.

The above-mentioned properties are therefore categorised as Level 3 in the fair value hierarchy as the measurement techniques use significant unobservable inputs to determine the fair value measurements (and there is no reasonably available information that indicates that market participants would use different assumptions).

Reconciliation of the movement in Level 3 Investment Properties

	Group 31 March 2025 £000	Group 31 March 2024 £000
Balance at 31 March 2024	131,718	80,594
Reclassification of City Hall from Investment Property to PPE	(17,625)	-
Balance at 1 April 2024	114,093	80,594
Additions	105,345	77,564
<i>Gains and losses included in profit or loss for the year:</i>		
Increase/(decrease) in fair value of investment properties	(22,853)	(9,775)
Transfers:		
Transfer from Level 2 to Level 3	-	(9,890)
Other Changes	-	(6,775)
Balance at 31 March	196,585	131,718

Highest and best use

In estimating the fair value of the Group's investment properties, the highest and best use is their current use.

Quantitative information about Fair Value measurement of Investment Properties

GLAP	2024/25 Input	Range	Weighted Average	Sensitivity
	Rental income less irrecoverable costs	£7,250 - £1,700,000	£1,247,823	Significant changes in rent growth; vacancy levels or capitalisation rate will result in a significantly lower or higher fair value
	Capitalisation rate	5.0% - 10.0%	6.45%	
GLAP	2023/24 Input	Range	Weighted Average	Sensitivity
	Rental income less irrecoverable costs	£7,250 - £1,700,000	£1,301,937	Significant changes in rent growth; vacancy levels or capitalisation rate will result in a significantly lower or higher fair value
	Capitalisation rate	6.0% - 7.3%	6.35%	
LLDC	2024/25 Input	Range	Weighted Average	Sensitivity
	Rental income less irrecoverable costs	£17,000 - £2,200,000	£2,013,258	Significant changes in rent growth; vacancy levels or capitalisation rate will result in a significantly lower or higher fair value
	Capitalisation rate	6.5% - 12.0%	9.69%	
LLDC	2023/24 Input	Range	Weighted Average	Sensitivity
	Rental income less irrecoverable costs	£10,028 - £2,200,000	£1,805,189	Significant changes in rent growth; vacancy levels or capitalisation rate will result in a significantly lower or higher fair value
	Capitalisation rate	6.5% - 11.0%	9.02%	
OPDC	2024/25 Input	Range	Weighted Average	Sensitivity
	Rental income less irrecoverable costs	(£46,131) - £595,578	£228,458	Significant changes in rent growth; vacancy levels or capitalisation rate will result in a significantly lower or higher fair value
	Capitalisation rate	(1.1%) - 9.4%	1.84%	

Valuation techniques

There has been no change in the valuation techniques used during the year for investment properties.

28. Intangible Assets

At 31 March 2025, the Group does not hold a material amount of intangible assets and so this disclosure is not material to the financial statements.

29. Heritage Assets

On 1 April 2012 two sculptures were transferred to the GLA from the Homes and Communities Agency (HCA). There is no historical cost data available on these assets and due to their bespoke and unique nature their value cannot be easily obtained using comparisons in the open market. The Authority further considers that the cost of obtaining an open market valuation outweighs any benefit to the users of the accounts. The asset known as "A Slice of Reality" has been licensed back to the artist who is responsible for its maintenance and general repair with the GLA being responsible for the structure. The "Quantum Cloud" was last surveyed in January 2017 and some routine maintenance work was undertaken. No major restoration costs were incurred during 2024-25.

30. Long term investments

		Authority 31 March 2025 £000	Group 31 March 2025 £000	Authority 31 March 2024 £000	Group 31 March 2024 £000
	Note				
Loans to joint venture - held at amortised cost		-	76,238	-	89,407
Loan to London Power Co. Ltd - held at amortised cost		49	49	112	112
Investment in subsidiary-soft loan fair value adjustment - held at amortised cost	50f	10,427	-	10,427	-
Infrastructure loans - held at amortised cost		-	39,817	-	86,216
Equity investments at cost		-	6,348	-	5,834
Loans to third parties		-	237	-	-
Loan to Limited Partnership - held at FVTPL		-	4,447	-	24,273
Investment in Limited Partnerships - held at FVTPL		-	2	-	2
Fund investments - held at FVTPL	50e	-	197,152	-	184,012
Equity mortgages - held at FVTPL		-	30,221	-	29,900
Total		10,476	354,511	10,539	419,756

31. Investments in Subsidiaries and Associates

Subsidiaries

Greater London Authority Holdings Limited (GLAH)

GLAH is a wholly owned subsidiary of the Greater London Authority. The Authority holds a £1 share in GLAH. GLAH, in turn, is the parent of GLA Land and Property Limited (“GLAP”), GLAP is a wholly owned subsidiary of GLAH.

GLAH is the sole shareholder in Stratford East Holdings Limited (SELH) which holds a non-controlling share of London Stadium LLP. Stratford East Holdings Limited is not consolidated on materiality grounds.

The Authority has prepared group accounts which consolidate the group accounts of Greater London Authority Holdings Limited.

London Stadium LLP - GLAH and SELH are members of London Stadium LLP. London Stadium LLP is the legal entity that holds a 102-year leasehold interest in the Stadium Island site and is responsible for the ongoing operations required to run a multi-use sporting venue, which is the permanent home of West Ham United Football Club and the national competition centre for UK Athletics.

London Stadium LLP is the sole shareholder of London Stadium 185 Limited and consolidates London Stadium 185 into its group accounts.

London Stadium 185 Limited - London Stadium 185 Limited’s principal activities are the operation, management and commercial development of the Stadium at Queen Elizabeth Olympic Park. London Stadium 185 Limited is consolidated into London Stadium LLP’s group accounts which in turn are consolidated into the GLA group accounts.

Old Oak and Park Royal Development Corporation (OPDC)

OPDC is a mayoral development corporation established under the powers of the Localism Act 2011. The OPDC has planning powers and regeneration responsibility within its boundaries. The corporation is responsible for the regeneration of Old Oak Common in West London. The organisation was created on the 1 April 2015.

London Treasury Limited (LTL) - GLAH holds £1,125,000 LTL shares, a 100% shareholding. LTL is registered in England and Wales and is wholly owned by GLAH. On materiality grounds GLAH has not consolidated London Treasury Limited.

LTL has a fully owned subsidiary LTLF GP Limited (registration number SC679933). LTLF GP Limited is a general partner in the limited partnership London Treasury Liquidity Fund LP (LTLF LP). LTLF GP Limited is registered in Scotland. It is accounted for as an associate in the

GLA group accounts.

London Power Co. Limited (LPC) - GLAH holds 1,056,387 £1 shares in LPC. LPC is registered in England and Wales and is wholly owned by GLAH. On materiality grounds GLAH has not consolidated LPC. The shares have been impaired to nil at 31 March 2025.

SME Wholesale Finance Limited (SMEWFL) - On 31 October 2017, the Authority became the sole member of SME Wholesale Finance Limited (SMEWFL) thereby gaining full control of this entity. SMEWFL's main objective is to bridge the London funding gap for early-stage businesses through the provision of loan and equity financing. It is accounted for as a subsidiary in the Authority's group accounts.

London Co-Investment Fund LLP (LCIF) - SMEWFL is a member of the London Co-Investment Fund LLP (LCIF), it has 100% economic interest in and controls LCIF. LCIF makes equity investments into early-stage companies in London's strategic sectors of science, digital and technology, thereby addressing the funding issues faced by such companies. The Authority controls LCIF via its control of SMEWFL and has accounted for LCIF as a subsidiary in the Authority's accounts.

Greater London Investment Fund (GLIF) was established in June 2018 and is a wholly owned subsidiary of SMEWFL. Greater London Investment Fund (GLIF) provides finance where there remains evidence of persistent market failure in the SME funding ecosystem. GLIF's aim is to establish a £100 million fund with funding provided by the European Regional Development Fund, the European Investment Bank, London Waste and Recycling Board and SMEWFL. The Authority controls GLIF via its control of SMEWFL and has accounted for GLIF as a subsidiary in the Authority's accounts.

London Legacy Development Corporation (LLDC) is a Mayoral Development Corporation controlled by the Authority and is consolidated as a subsidiary in the Authority's accounts.

LLDC prepares group accounts for its subsidiaries Stratford East London Developments Limited (SELD), and Stratford Waterfront Retail Management Company (SWRMC), and as the GLA consolidates LLDC's group accounts, these subsidiaries are also included in the GLA's group accounts.

Stratford East London Developments Limited (SELD) – via Stratford East London Developments Ltd, LLDC is in a joint venture - Stratford East London Partners (SELP) LLP- with Ballymore Stratford East(2) Ltd to develop Stratford Waterfront and Bridgewater Triangle residential developments. SELD is accounted for as a subsidiary in LLDC's group accounts.

Stratford Waterfront Retail Management Company Limited (SWRMC) was incorporated on 8 September 2023 and is wholly owned by LLDC. It has been established to enter into a lease with LLDC on the retail units on the Stratford Waterfront and then sub-let those units to third parties. SWRMC is accounted for as a subsidiary in LLDC's group accounts.

Stratford Waterfront Management Co Ltd (SWM) was incorporated on 25 November 2019 and is a company limited by guarantee. LLDC provides the guarantee at a value of £1. SWM will manage the public realm of Stratford Waterfront.

Pudding Mill Legacy Developments Limited was incorporated on 24 November 2023 and is wholly owned by LLDC. It has been established to enter into a joint venture agreement with a third-party developer for the Pudding Mill residential development. The Pudding Mill Joint Venture procurement has completed in 2024-25 and LLDC has formed a 50/50 joint venture partnership with Vistry Group, the UK's leading provider of affordable mixed-tenure homes. As of 31 March 2025, the entity remained dormant incurring no transactions itself other than recognising its 50% share of loss (£20,000) recorded in the joint venture, Pudding Mill Lane LLP.

Associates

London Treasury Liquidity Fund LP (LTLF LP) is an alternative investment fund established on 29 January 2021. LTLF GP Limited is the general partner and the GLA is one of six limited partners. On 29 June 2023 LTLF LP admitted 5 additional limited partners and the GLA's control of the LTLF LP was diluted from one of total control to significant influence. GLA accounts for its interest in LTLF LP on an equity basis. LTLF LP Limited is registered in Scotland.

Equity accounted investee-LTLF LP	Authority	Group	Authority	Group
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Share of LTLF LP net assets	55,625	55,625	75,530	75,530
Total	55,625	55,625	75,530	75,530

32. Non-current Assets held for sale

At 31 March 2025 and 31 March 2024, the Group did not hold any property, plant or equipment for sale.

33. Long-term debtors

Long term debtors are held at amortised cost or FVTPL; the classification and measurement approach selected, reflect the business model for holding the financial assets and their cashflow characteristics. See Note 2 Accounting Policies, xvi Fair Value for further details.

Long-term debtors comprise:

	Authority	Group	Authority	Group
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Loans to third parties, including subsidiaries, for capital purposes	1,090,708	251,547	1,039,479	233,188
Other debtors	322	13,163	-	13,928
Expected credit loss provision	(25,304)	(4,258)	(39,788)	(13,011)
Fair value adjustment balance	10,165	10,165	(3,463)	(3,463)
	1,075,891	270,617	996,228	230,642

34. Finance leases – Group as lessor – Finance lease receivables

Group as Lessor - Finance lease receivables

Details of the GLAH's finance leases (as lessor) include:

- The London International Exhibition Centre has a 200-year lease ending in 2199 for the ExCel Exhibition Centre land
- A 95-year lease ending in 2075 with Workspace II Limited for a warehouse, office and secure yard at Quicksilver Place, Wood Green
- A 101-year lease ending in 2110 with London City Airport to allow the installation of airport landing lights at Albert Island, London E16; and
- Deferred receipts in relation to various development properties leased out on long leases.

The total undiscounted receivables for finance leases reconcile to the net investment in leases as follows:

	Authority 31 March 2025 £000	Group 31 March 2025 £000	Group 31 March 2024 £000
Total undiscounted lease receivables	605	48,762	51,512
Unearned finance income	(44)	(10,222)	(3,054)
Net investment in finance lease receivables	561	38,540	48,458

The lease receivables are due to be collected over the following bands (measured at the undiscounted amounts of expected cash receipts).

	Authority 31 March 2025 £000	Group 31 March 2025 £000	Group 31 March 2024 £000
Not later than one year	320	10,159	40,515
Later than one year and not later than two years	285	17,339	8,943
Later than two years and not later than three years	-	198	211
Later than three years and not later than four years	-	46	46
Later than four years and not later than five years	-	46	46
Later than five years	-	20,974	1,751
Total undiscounted finance lease receivables	605	48,762	51,512

Net investment in lease receivables over the following bands (discounted amounts of expected cash receipts)

	Authority	Group	Group
	31 March	31 March	31 March
	2025	2025	2024
	£000	£000	£000
Not later than one year	289	9,975	38,945
Later than one year and not later than two years	272	13,997	8,615
Later than two years and not later than three years	-	158	158
Later than three years and not later than four years	-	6	6
Later than four years and not later than five years	-	7	7
Later than five years	-	14,397	727
Net investment in finance lease receivables	561	38,540	48,458

35. Lease giving rise to a right-of-use asset and lease liability – Group as Lessee

Details of the lease liabilities include:

GLA

Right-of-use assets

- The Crystal Palace 125-year lease with the London Borough of Bromley that expires in 2131. The leases cover the National Sports Centre, Capel Manor Farm, a lodge and residential properties.
- Union Street lease
- City Hall lease

GLAH

- Stephenson Street - a small 1.04-acre portion of the site is held on a long-term lease of 99 years with Network Rail, expiring in 2069, for the land and railway arches at Stephenson Street (ex-Parcelforce Site) in West Ham providing part of the access to the larger freehold adjoining property belonging to GLAP
- Thames Wharf - two long leases (82 and 60 years long) GLAP took out with the London Borough of Newham at Thames Wharf as part of the larger property. The leases expire in 2051 and 2026
- 20 Newburn Street, Kennington - this property is leased from London Housing Quadrant on a 125-year lease ending in 2129. It has subsequently been leased out on peppercorn rental to Riverside Community Development Trust; and

- CEME - this property is leased from Ford Motor Company on a 125-year lease ending in 2126.

LLDC

Details of the leases are as follows:

- Property lease- LLDC leases office accommodation from TfL under a 3-year lease. This has been extended in April 2025 for a further 3 years.
- Waterways lease – rent payable to the Canal River Trust. This lease was revised on 1 January 2022 and ends in 2414 and will be revised annually thereafter with the amount due based on the number of existing outfalls, considering the number of new, abandoned or surrendered outfalls in the year.
- Property lease – LLDC holds a 99-year lease over 3 Mills Studios from Lee Valley Regional Park Authority of which the unexpired term is 78 years. The studios are managed by an appointed agent on behalf of LLDC.
- Property lease – LLDC holds a 8 year lease to July 2028 for the Good Growth Hub payable to Clarnico Quay. The Good Growth Hub is set up to provide training and skills to local communities. LLDC prepaid the entire lease at inception and therefore there is no lease liability.
- Property lease – LLDC leases Timberlodge from Lee Valley Regional Park authority until 2053 and subleases on a short-term arrangement with the recent appointment to Five Star Catering on a 10-year lease.
- Property Lease – LLDC has a short-term lease with Portakabin for temporary office accommodation until 2026.

Net book value of leased assets

	Authority	Group	Group
	31 March	31 March	31 March
	2025	2025	2024
	£000	£000	£000
Right of Use assets - held as Right of Use Assets	20,968	35,220	0
Right of Use assets - held within Investment Properties	-	6,103	6150
Right of Use assets - held within Inventories	-	18,991	24485
Total	20,968	60,314	30,635

The minimum lease payments are made up of the following amounts:

	Authority	Group	Group
	31 March	31 March	31 March
	2025	2025	2024
	£000	£000	£000
Finance lease liabilities (net present value of minimum lease payments):			
Current	2,052	3,758	12
Non-current	22,874	35,805	277
Finance costs payable in future years	15,688	661	202
Total	40,614	40,224	491

The minimum lease payments will be payable over the following periods:

	Authority	Group	Group
	31 March	31 March	31 March
	2025	2025	2024
	£000	£000	£000
Not later than one year	3,360	4,069	25
Later than one year and not later than five years	8,387	35,781	76
Later than five years	28,867	374	391
Total	40,614	40,224	492

The lease liabilities will be payable over the following periods:

	Authority	Group	Group
	31 March	31 March	31 March
	2025	2025	2024
	£000	£000	£000
Not later than one year	2,052	3,758	12
Later than one year and not later than five years	4,033	35,566	31
Later than five years	18,841	239	246
Total	24,926	39,563	289

Right of Use assets

The Group have adopted IFRS 16 Leases with effect from 1 April 2024, in line with the transitional provisions set out in the Code of Practice on Local Authority Accounting. This change in accounting policy results in changes to the way leases are recognised in the financial statements.

Under the previous accounting standard, operating leases were not recognised on the Balance Sheet. From 1 April 2024, however, leases previously classified as operating leases are now brought onto the Balance Sheet, with the recognition of both a right-of-use asset and a corresponding lease liability.

IFRS 16 is applied retrospectively, but with the cumulative impact of adoption recognised on 1 April 2024. This means that while the lease balances are calculated as though IFRS 16 was always in effect, no restatement of prior year figures is required.

Below are the carrying amounts of the right of use assets recognised and the movements in the period:

	Authority	Group
	2024/25	2024/25
	£000	£000
Cost - Right of Use Assets		
Balance at 31 March	-	-
IFRS 16 transition right of use assets	23,672	38,538
Balance at 1 April	23,672	38,538
Disposals	(393)	(393)
Balance at 31 March	23,279	38,145
Depreciation - Right of Use Assets		
Balance at 1 April	-	-
Charged in year	(2,311)	(2,925)
Balance at 31 March	(2,311)	(2,925)
Net Book Value - Right of Use Assets		
At 1 April	23,672	38,538
At 31 March	20,968	35,220

*The right of use assets held by GLAP as Investment Properties (£6.1 million) and Inventories (£18.9 million) are reported in the Note 26 and Note 37 respectively.

Lease Liabilities - Right of Use Assets

Lease Liabilities (RoU) Current	(2,052)	(3,758)
Lease Liabilities (RoU) Non-Current	(22,874)	(35,805)

Interest Expense - Right of Use Assets

Interest Expenses recognised in the CIES on Lease Liabilities (RoU)	1,412	3,157
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36. Capital Expenditure and Financing – Authority

The total amount of capital expenditure incurred by the Authority in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (“CFR”), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR is analysed in the second part of this note.

	2025	2024
	£000	£000
Opening Capital Financing Requirement at 1 April	5,496,305	5,448,088
Capital Investment in year		
Property, Plant, Equipment and Intangibles	26,230	6,010
Loans to external organisations for capital purposes	117,708	239,596
Equity investment	111,218	-
REFCUS*-grant payments to external organisations for capital purposes	1,167,462	1,235,372
REFCUS- Payment to TfL for Crossrail	35,000	-
REFCUS- Payment to TfL for the Northern Line extension	-	7,500
REFCUS- Payment to TfL for Elephant & Castle roundabout	2,391	4,083
Reversal of CPO provision release	-	31,308
Reversal of rolled-up interest previously included in the CFR	-	(1,298)
Sources of Finance		
Government grants and other contributions	(968,396)	(1,009,664)
London Borough Southwark contributions	(2,391)	(4,083)
Capital receipts used to finance capital expenditure	(139,991)	(180,011)
Capital receipts offset against the CFR		
Capital receipts applied to reduce the CFR	(46,667)	(33,333)
Loan repayments originally financed by borrowing	(41,044)	(9,925)
Other adjustments		
Financing swap from grant financing to loans	-	145,745
Sums set aside from revenue		
Minimum revenue provision	(250,998)	(276,074)
Revenue financing of capital for GLA capital spend	(177,629)	(107,009)
Closing Capital Financing Requirement at 31 March	5,329,198	5,496,305
Explanation of movements in year		
Opening Capital Finance Requirement	5,496,305	5,448,088
Minimum Revenue Provision	(250,998)	(276,074)
Reversal of CPO provision release	-	31,308
Increase / (decrease) in underlying need to borrow _Loans to Third Parties	83,891	292,983
Closing Capital Financing Requirement at 31 March	5,329,198	5,496,305

* REFCUS is grants paid to third parties for capital purposes. These are transactions that would not be capitalised under standard accounting practice, but that are defined as capital expenditure under the Local Government Act 2003 and its associated regulations.

A group CFR calculation is not required as all of LLDC and OPDC's borrowing is with the GLA and is therefore eliminated on consolidation. The GLA's CFR calculation is therefore an accurate representation of the Group's CFR.

37. Inventories

Inventories comprise land and buildings held for sale by GLA Land and Property Limited and London Legacy Development Corporation. See Note 5 for key assumptions in relation to asset valuations, and sources of estimation uncertainty.

	Group 31 March 2025 £000	Group 31 March 2024 £000
Balances at 31 March	357,344	529,977
Purchases (LLDC Residential & GLAP land and buildings)	924	783
Purchases (LLDC East Bank)	40,266	101,907
Purchases offset against grant provision (LLDC East Bank)	(18,647)	(18,019)
Recognised as an expense in the year: disposals	(8,293)	(125,668)
Disposals offset against grant provisions	(136,608)	(107,312)
Increase/(decrease) in net realisable value	(17,445)	(25,557)
Reversals of write-offs in previous years	2,366	1,233
Balance at 31 March	219,907	357,344
Split:		
Inventory valued at at lower of cost and net realisable value	219,907	234,104
Inventory valued at the lower of cost and replacement cost	-	123,240
Balance at 31 March	219,907	357,344
Split:		
LLDC	42,920	160,432
GLAP	176,987	196,912
Balance at 31 March	219,907	357,344

Accounting for Inventories

GLAP and LLDC are required to determine the carrying value of inventories with reference to IAS 2 Inventories (IAS 2), and as a public body

LLDC also makes reference to IPSAS 12 Inventories. This includes determining whether the estimated net realisable value (where applicable) is less than the asset's carrying value; if so, the carrying value is written down and charged to the Statement of Comprehensive Income, and for LLDC only, then reversed via the MIRS to the Capital Adjustment Account.

For its residential inventories, LLDC will use its forecast share of the developer's estimated sale receipts to determine the net realisable value and ensure that the recorded inventories are stated at the lower of cost and net realisable value. In determining the net realisable value, LLDC is required to make estimates about expected future receipts from its developments, which will be based on a variety of assumptions, including projections of future housing market growth. Changes in such factors could impact upon future forecast receipts and therefore the carrying value of LLDC's inventories, with movements being recorded in the Comprehensive Income and Expenditure Statement, which could have a significant effect on the reported financial performance of LLDC.

For East Bank inventories that are carried at net realisable value, LLDC will use its forecast contributions from the East Bank partners and the estimated costs to complete (based on the Anticipated Final Cost as determined in conjunction with its Project Management Partner, Mace) to determine the net realisable value. These are based on a variety of assumptions, including construction prices, which may vary and impact upon the carrying value of the East Bank inventories.

If the use of an investment property changes such that it requires a transfer to inventories, then the property's deemed cost in accordance with IAS 2 shall be its fair value at the date of change in use (see Investment Property and Inventories accounting policies).

In applying the Inventories accounting policy, LLDC has made the following judgements:

Residential development assets: Development for sale has commenced at Chobham Manor (now complete) and East Wick and Sweetwater, with Phase 1 complete and Phase 2 in progress. These developments are therefore recognised as inventories at the lower of cost and net realisable value. At the date of transfer from Investment Properties, the assets' deemed cost was their fair value at the date of change in use. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. As these developments are undertaken by third parties on LLDC's behalf (for example, via a development agreement), LLDC has used its forecast share of the developer's estimated sale receipts to determine the net realisable value (as LLDC does not incur any costs of completion or marketing, selling and distribution).

East Bank assets: LLDC has previously determined that the following remaining East Bank assets meet the definition of inventories as they have commenced development with a view to sale or donation/distribution:

- **BBC:** Measured at the lower of cost and net realisable value as BBC entered into a lease agreement with nominal charge and are making contributions towards the cost of their building under the terms of the agreement with them.
- **Sadler's Wells:** Measured at the lower of cost and current replacement cost in accordance with IPSAS 12 as these buildings are being distributed to the partners at no charge or for a nominal charge. The Sadler's Wells is de-recognised from the inventories balance as at 31 March 2025 following its completion and handover during the financial year.

Inventory Provision

For each of the above East Bank assets, LLDC has determined that a provision is required for LLDC's contributions towards the cost of the buildings. The value of the provision is based upon LLDC's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. For UAL and BBC, purchases are offset against the provision first, such that when the buildings are completed and handed over, the inventory balance will be equal to their contributions¹ towards the cost of their buildings. For Sadler's Wells and V&A, purchases are not applied against the provision until the buildings are completed and handed over, which is in accordance with the requirements of the Code. Purchases that are offset against the provision during the year are disclosed in this note.

¹ Which are being treated as deferred income until building completion (see Revenue Recognition accounting policy)

38. Trade and Other Receivables

	Authority	Group	Authority	Group
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Central government bodies	124,048	139,264	132,115	148,636
Local Authorities & Functional Bodies	716,241	716,778	716,363	717,213
NHS bodies	-	-	420	420
Public corporations and trading funds	22	22	22	22
Subsidiary/Parent	129,350	3,338	210,058	7,095
Other entities and individuals	710,757	741,646	724,656	800,563
Expected credit losses	(435,878)	(436,247)	(393,459)	(395,335)
Total	1,244,540	1,164,801	1,390,175	1,278,614

Expected credit losses primarily comprise provisions for the non-collection of council tax and business rates. As a precepting authority, the Authority is entitled to a share of council tax and business rate income receivable from London residents and businesses. Accordingly, the Authority recognises its proportionate share of amounts that London boroughs estimate will be uncollectible, based on their assessed collection performance and forecasts.

39. Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

	Authority	Group	Authority	Group
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Bank current accounts	1,264	33,181	5,276	53,123
Other deposits	2,599,805	2,606,918	2,519,248	2,627,653
Total	2,601,069	2,640,099	2,524,524	2,680,776

40. Creditors and receipts in advance

	Authority	Group	Authority	Group
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Central government bodies	(74,066)	(84,154)	(104,645)	(108,068)
Local Authorities & Functional Bodies	(186,112)	(188,042)	(190,323)	(192,902)
NHS bodies	(405)	(405)	(171)	(171)
Public corporations and trading funds	(139)	(139)	(141)	(141)
Other entities and individuals	(552,283)	(594,824)	(536,473)	(637,379)
Subsidiary/Parent	(21,011)	(812)	(167)	(1,432)
Total Creditors	(834,016)	(868,376)	(831,920)	(940,093)
Receipts in advance - Revenue	(15)	(3,644)	(350)	(1,084)
Receipts in advance - Capital	-	(8,054)	(2,301)	(21,056)
Total Receipts in Advance	(15)	(11,698)	(2,651)	(22,140)

Payments in advance and overpaid business rates and council tax income, totalling £428 million (£408 million at 31 March 2024), are included within Other Entities and individuals.

41. Provisions

During the year, the following movements occurred on the Authority and Group's current and non-current provisions:

Group Non-Current and Current

	Onerous Contracts	Other Provisions	Non-Domestic Rates (NDR) Appeals	East Bank grant	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2024	(206,727)	(2,924)	(286,700)	(144,436)	(640,787)
Additional provisions made	(58,334)	(5,383)	(179,379)	(18,647)	(261,743)
Amounts used	12,709	1,781	153,358	155,255	323,103
Unused amounts reversed in year	-	10	8,177	7,828	16,015
Effect of change in discount rate	24,836	-	-	-	24,836
Unwinding of discount	(13,940)	-	-	-	(13,940)
Derecognition Other	-	-	1,390	-	1,390
Balance at 31 March 2025	(241,456)	(6,516)	(303,153)	0	(551,125)

Group Non-Current

	Onerous Contracts	Other Provisions	Non-Domestic Rates (NDR) Appeals	East Bank grant	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2024	(194,510)	(276)	(164,571)	-	(359,357)
Additional provisions made in year	(46,066)	-	(102,967)	-	(149,033)
Amounts used in year	-	66	-	-	66
Unused amounts reversed in year	-	-	4,694	-	4,694
Effect of change in discount rate	24,836	-	-	-	24,836
Unwinding of discount	(13,447)	-	-	-	(13,447)
Transfer from non-current to current	-	-	88,030	-	88,030
Derecognition Other	-	-	798	-	798
Balance at 31 March 2025	(229,187)	(210)	(174,015)	-	(403,412)

Group Current

	Onerous Contracts	Other Provisions	Non-Domestic Rates (NDR) Appeals	East Bank grant	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2024	(12,217)	(2,648)	(122,129)	(144,436)	(281,430)
Additional provisions made in year	(12,268)	(5,383)	(76,412)	(18,647)	(112,710)
Amounts used in year	12,709	1,715	153,358	155,255	323,037
Unused amounts reversed in year	-	10	3,483	7,828	11,321
Unwinding of discount	(493)	-	-	-	(493)
Transfer from non-current to current	-	-	(88,030)	-	(88,030)
Derecognition Other	-	-	592	-	592
Balance at 31 March 2025	(12,269)	(6,306)	(129,138)	-	(147,713)

Authority Non-Current and Current

	NDR* Appeals	Other	Total
	£000	£000	£000
Balance at 1 April 2024	(286,700)	(200)	(286,900)
Additional provisions made	(179,378)	(20)	(179,398)
Amounts used	153,358	-	153,358
Unused amounts reversed	8,177	-	8,177
Derecognition Other	1,390	-	1,390
Balance at 31 March 2025	(303,153)	(220)	(303,373)

Authority Non-Current

	NDR Appeals	Other	Total
	£000	£000	£000
Balance at 1 April 2024	(164,571)	-	(164,571)
Additional provisions made	(102,966)	-	(102,966)
Amounts used	-	-	-
Unused amounts reversed	4,694	-	4,694
Transfer from non-current to current	88,030	-	88,030
Derecognition Other	798	-	798
Balance at 31 March 2025	(174,015)	-	(174,015)

Authority Current

	NDR Appeals	Other	Total
	£000	£000	£000
Balance at 1 April 2024	(122,129)	(200)	(122,329)
Additional provisions made	(76,412)	(20)	(76,432)
Amounts used	153,358	-	153,358
Unused amounts reversed	3,483	-	3,483
Transfer from non-current to current	(88,030)	-	(88,030)
Derecognition Other	592	-	592
Balance at 31 March 2025	(129,138)	(220)	(129,358)

Restated 2023-24 Non-Domestic Rates Appeals Provisions

The non-domestic rates appeals provision was previously classified in full as a non-current liability. Following a reassessment of settlement patterns, based on actual outcomes over the preceding eight years, the Authority determined that a proportion of the provision is settled within the subsequent financial year. On average, this proportion is 43%. In accordance with IAS 8 paragraphs 41–42, the comparative figures have been restated to reclassify 43% of the provision as a current liability, with the remaining 57% presented as non-current, to more appropriately reflect the expected timing of settlement. £122.1 million has been reclassified from non-current to current.

Group

PROVISIONS- Non Current

	E20 LLP Onerous Contracts £000	Other Provisions £000	Restated Non-Domestic Rates (NDR) Appeals £000	East Bank grant £000	Restated Total £000
Balance at 1 April 2023	(174,977)	(300)	(386,397)	0	(561,674)
Additional provisions made in year	-	-	(62,014)	-	(62,014)
Amounts used in year	-	24	-	-	24
Effect of change in discount rate	(10,190)	-	-	-	(10,190)
Unwinding of discount	(9,343)	-	-	-	(9,343)
Transfer from non-current to current			283,840		283,840
Balance at 31 March 2024	(194,510)	(276)	(164,571)	0	(359,357)

PROVISIONS - Current

	E20 LLP Onerous Contracts £000	Other Provisions £000	Restated Non-Domestic Rates (NDR) Appeals £000	East Bank grant £000	Restated Total £000
Balance at 1 April 2023	(10,851)	(2,847)	-	(244,303)	(258,001)
Additional provisions made in year	(12,216)	(2,405)	(46,021)	(34,173)	(94,815)
Amounts used in year	11,218	1,221	207,732	125,331	345,502
Unused amounts reversed in year	-	1,267	-	8,709	9,976
Unwinding of discount	(368)	-	-	-	(368)
Transfer from non-current to current			(283,840)		(283,840)
Derecognition Other	-	116	-	-	116
Balance at 31 March 2024	(12,217)	(2,648)	(122,129)	(144,436)	(281,430)

Authority

Provisions - Non Current	Restated	Other	Restated
	NDR Appeals		Total
	£000	£000	£000
Balance at 1 April 2023	(386,397)	-	(386,397)
Additional provisions made	(62,014)	-	(62,014)
Transfer from non-current to current	283,840	-	283,840
Balance at 31 March 2024	(164,571)	-	(164,571)

Provisions - Current	Restated	Other	Restated
	NDR Appeals		Total
	£000	£000	£000
Balance at 1 April 2023	-	(2,025)	(2,025)
Additional provisions made	(46,021)	-	(46,021)
Amounts used	207,732	812	208,544
Unused amounts reversed	-	1,013	1,013
Transfer from non-current to current	(283,840)	-	(283,840)
Balance at 31 March 2024	(122,129)	(200)	(122,329)

London Stadium LLP Onerous Contracts

Since its opening in 2016/17, the London Stadium has successfully hosted five full seasons of Premier League football as the home of West Ham United Football Club, the IAAF World Athletics and Para Athletics Championships, major music concerts, Major League Baseball and other successful events such as rugby union matches, confirming its position as the centrepiece of the Queen Elizabeth Olympic Park and as a major London attraction.

However, despite these successes, forecasts of the partnership's financial outlook, particularly in relation to the cost of hosting West Ham United Football Club and the cost of moving the relocatable seats between pitch (football) and athletics modes, has required an assessment of whether any of its contracts are deemed to be onerous (loss-making). An assessment of its main contracts (in line with IAS 37) in 2016/17 concluded that two of these are deemed to be onerous – the West Ham United Football Club concession agreement and UK Athletics access agreement. Consequently, London Stadium LLP recognised a provision for these losses, adversely impacting its reported position for the year. The provision, which was previously calculated based upon London Stadium's forecasts as contained within its business plan, contains a variety

of assumptions and estimates that are subject to change.

The methodology for calculating the provision follows the update to IAS 37. The methodology adopted is as follows:

It uses only those revenues, costs and overheads that are directly attributable to the West Ham United Football Club and UK Athletics agreements. Revenues, costs and overheads not directly attributable to those agreements are not included in the calculation.

The calculation is based on cashflows for the remaining 90-year term of the concession agreement (note the calculation includes cashflows relating to the UK Athletics agreement up to its expiry in 38 years).

A lower discount rate is adopted to reflect a risk-free rate (based on Government gilt rates at the reporting date).

Note that the changes in the provision balances do not reflect any substantial change to the underlying business of London Stadium LLP but rather are a result of the change in discount rate and forecasted commercial income.

Certain commercial revenues associated with London Stadium partners are not expected to start immediately, with income anticipated to commence after an estimated period from the end of the financial year, for an estimated term length, in accordance with expected market developments.

Some revenue assumptions are based on the successful closure of deals with London Stadium partners, which are expected to generate significant income over the contract term. The calculation of the onerous contract provision balance is highly sensitive to both the timing and magnitude of certain income streams and direct operating costs. For example, a delay in the commencement of a revenue stream totalling £1m per year would increase the provision balance as follows:

Scenario	Amount
5-year delay	£3.7 million
10-year delay	£6.6 million
15-year delay	£9.7 million

The calculation is also sensitive with the discount rate. An increase or decrease in the current discount rate of 0.2% will have the following impact:

Year	Provision Balance	Discount rate reduces by 0.2% (change in balance)	Discount rate increases by 0.2% (change in balance)
	£m	£m	£m
31/03/2023	(185.8)	(7.6)	7.1
31/03/2024	(206.7)	(8.0)	7.4
31/03/2025	(241.5)	(9.4)	8.8

At 31 March 2025, the provision totalled £241.5 million (£206.7 million at 31 March 2024).

Other Provisions Current (GLA) – the Authority’s provision of £0.2 million relates to expected legal costs, payable within the next 12 months, in legal cases in relation to two planning applications.

Other Provisions Current – Organisational restructure (LLDC) - LLDC has recognised a provision of £2.1 million for the potential staff-related costs resulting from the organisational restructure that is currently underway. Costs have been incurred in 2024/25 with further costs being incurred in 2025/26. The provision is based on reasonable estimates by LLDC management at the reporting date as the statutory consultations with staff are still ongoing and the final organisational structure therefore unknown.

Other Provisions Current – West Ham United Stadium Appeal (London Stadium (LS)) – West Ham United Football Club are in dispute with London Stadium LLP over a sum paid by the club under the concession agreement in relation to a multi-faceted share transaction in WH Holding Limited (WHHL) in November 2021. WHHL were ordered to pay LS £3.6 million plus in interest and costs following an expert determination in which the expert found in favour of LS. This payment was made in March 2023, WHHL subsequently filed a Part 8 Claim at Court challenging the expert’s determination. The matter was heard on 12 December 2024.

The judgement was handed down on 27 January 2025, with the judge finding in WHHL’s favour. LS have received permission to appeal the judgment. A provision of £3.9 million is recognised.

Other Provisions Non-Current - Millfield Transfer Station (GLAP) – GLAP, along with the London Borough of Hackney, has an obligation to undertake repairs and other works at the Millfield Transfer Station. The obligation arises from a landfill site relocation for the 2012 Olympics. A payment was made in 2016 and an agreement signed in 2021-22 contracts GLAP to pay up to £0.3 million in final settlement of this obligation. However, the final amount and timing of the payment has not yet been determined. The provision stood at £0.2million at 31 March 2025,

Non-domestic rates appeals provision Non-Current (GLA)

The NDR appeals provision is the GLA's 37 per cent share of billing authorities estimates of the provision required for potential refunds relating to retrospective alterations to the rating list. The in-year movement in this provision has been analysed between amounts charged to the provision during the year to reflect changes to rate-payers liabilities following alterations to the non-domestic rating list which have previously been provided for and additional provisions made during the year which take into account an assessment of future risks of losses in rating income.

The closing balance on the appeals provision at 31 March 2025 is £303.2 million. The current expectation is that these appeals will not be settled within 12 months, and it is not possible to state when they will be settled. Straight forward challenges could be resolved within 18 months to 2 years, but more complicated appeals could take up to 5 years. There will however, be cases which fall outside this range but expert advice is taken by all the 33 billing authorities and the provisions made reflect the advice received.

East Bank Provision (LLDC)

LLDC had determined that it held constructive obligations under agreements with East Bank partners to contribute towards, or fully fund, the costs of their buildings. Accordingly, LLDC had recognised a provision for its contributions towards the cultural and educational buildings at Stratford Waterfront (including UAL, V&A, Sadler's Wells, and BBC) from the date the agreements for lease were signed, all of which occurred before 31 March 2020.

The provision for Sadler's Wells stood at £144.4 million at 1 April 2024. Including additional provisions of £18.6 million made in year, a total of £155.3 million was utilised in 2024-25 and the remaining unused balance of £7.8 million was released following the completion and handover of their building. At 31 March 2025, the provision was nil (£144.4 million at 31 March 2024).

42. Usable Reserves

Movements in the Authority's and Group's usable reserves are detailed in the Movement in Reserves Statement and Note 9.

43. Unusable Reserves

	Authority	Group	Authority	Group
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Revaluation Reserve	(1,061)	(1,061)	(1,184)	(1,184)
Capital Adjustment Account	4,290,498	4,442,298	4,540,642	5,054,898
Deferred Capital Receipts Reserve	(223,821)	(3,821)	(268,963)	(2,296)
Pensions Reserve	-	-	(57,196)	(59,181)
Collection Fund Adjustment Account-Council tax	7,663	7,663	(494)	(494)
Collection Fund Adjustment Account-Non Domestic rates	(46,228)	(46,228)	(67,524)	(67,524)
Accumulated Absences Account	4,296	4,760	3,572	3,969
Financial Instruments Adjustment Account	4,615	17,177	6,617	20,110
Capital Reserve	-	12,676	-	(95)
Members Equity	-	320,236	-	(64,180)
Merger Reserves	37,877	(312,716)	37,877	(359,385)
Total Unusable Reserves	4,073,839	4,440,983	4,193,347	4,524,637

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Group arising from increases in the value of its Property, Plant and Equipment and Intangible Assets. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Balance at 1 April	(1,184)	(1,184)	(1,154)	(1,154)
(Upward)/Downward revaluation of assets	123	123	(30)	(30)
(Surplus) or deficit on revaluation of non-current assets not posted to the (Surplus) or Deficit on the Provision of Services	123	123	(30)	(30)
Balance at 31 March	(1,061)	(1,061)	(1,184)	(1,184)

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of these assets under statutory provisions. The Account is debited with depreciation, amortisation and revenue spend financed by capital. The Account is credited with the amounts set aside by the Authority and Group as finance for the costs of acquisition, construction and enhancement. Where spend is incurred in advance of financing being received (as is the case with Crossrail and Northern Line Extension contributions and expenditure) this results in a deficit balance on the reserve.

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Balance at 1 April	4,540,642	5,054,897	4,676,210	5,179,753
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:				
Charges for depreciation, impairment and write off of obsolete fixed assets	5,291	5,747	2,978	5,599
Revaluation/(Impairment) charged to the Comprehensive Income and Expenditure Account	93,110	(89,420)	4,207	4,207
Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	-	15,879	-	101,826
Revenue expenditure funded from capital under statute	1,204,853	1,239,026	1,246,955	1,248,133
Fair value through profit and loss adjustments	(13,629)	(13,629)	(514)	(514)
Capital receipts received during the year	-	(678)	-	-
Deferred tax liability on revaluation charged to the Comprehensive Income and Expenditure Account	-	122	-	143
Corporation tax adjustment	-	(3,947)	-	-
Corporation Tax liability for the year	-	-	-	5,186
Uncertain Corporation Tax liability	-	22,000	-	-
Other adjustments	-	1,077	-	3,360
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	393	393	-	-
Amounts of inventories written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	(187)	-	106,919
Amounts of investment property written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	154
	1,290,018	1,176,383	1,253,626	1,475,013
Capital financing applied in the year:				
Use of the Capital Receipts Reserve to finance new capital expenditure	(139,990)	(139,990)	(180,011)	(300,246)
Use of the Major Repairs Reserve to finance new capital expenditure	-	-	-	-
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	-	(86,711)	(48,862)	(185,667)
Application of grants to financing from the Capital Grants Unapplied Account	(970,787)	(975,564)	(964,887)	(964,887)
Statutory provision for the financing of capital investment charged against the General Fund	(250,998)	(250,998)	(276,074)	(276,074)
Financing swap from Affordable Housing grant to borrowing	-	-	145,745	145,745
Capital expenditure charged against the General Fund	(177,629)	(177,638)	(107,009)	(107,009)
Increase/decrease in provisions for capital purposes	-	10,818	-	46,365
Capital receipts applied to reduce the capital financing requirement	(46,667)	(46,667)	(33,333)	(33,333)
Compulsory purchase order provision release transferred to the merger reserve	-	-	31,308	31,308
Deconsolidation - derecognition of balances	-	(168,141)	-	-
Repayment of long term capital debtors	45,909	45,909	43,929	43,929
	(1,540,162)	(1,788,982)	(1,389,194)	(1,599,869)
Balance at 31 March	4,290,498	4,442,298	4,540,642	5,054,897

Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets for which cash settlement has yet to take place and the receipts from the repayment of the inherited London Development Agency borrowing. Under statutory arrangements, the Group does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts.

	Authority	Group	Authority	Group
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Balance at 1 April	(268,963)	(2,296)	(301,745)	(1,745)
Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(963)	(963)	(551)	(551)
Transfer Finance Lease Impairments and receipts	(835)	(835)	-	-
Transfer to the Capital Receipts Reserve upon receipt of cash	46,940	273	33,333	-
Balance at 31 March	(223,821)	(3,821)	(268,963)	(2,296)

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, for defined benefit pension schemes. The Authority and Group account for post-employment benefits in the CIES as benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority and Group make employer's contributions to pension funds or eventually pay any pensions for which they are directly responsible. A debit/credit balance on the Pensions Reserve shows the shortfall/surplus in the benefits earned by past and current employees and the resources the Authority and Group have 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.

	Authority	Group	Authority	Group
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Balance at 1 April	(57,196)	(59,181)	(26,705)	(21,910)
Actuarial (gains) / losses on pension assets and liabilities	58,974	61,209	(29,513)	(34,374)
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	5,554	9,313	6,004	8,336
Deferred tax asset	-	(486)	-	997
Employer's pensions contributions and direct payments to pensioners payable in the year	(7,332)	(10,878)	(6,982)	(8,870)
Other adjustment	-	23	-	(3,360)
Balance at 31 March	-	-	(57,196)	(59,181)

Collection Fund Adjustment Account – Council Tax

The Collection Fund Adjustment Account (Council Tax) manages the differences arising from the recognition of council tax income in the CIES as it falls due from council taxpayers compared with the statutory arrangements for paying across amounts to the General Fund from the London Boroughs and City of London Corporation's Collection Funds.

	Authority 2024/25 £000	Authority 2023/24 £000
Balance at 1 April	(494)	(16,550)
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	8,157	16,056
Balance at 31 March	7,663	(494)

Collection Fund Adjustment Account – Non-Domestic Rates

The Collection Fund Adjustment Account (Non-Domestic Rates) manages the differences arising from the recognition of non-domestic rates income in the CIES as it falls due from non-domestic rate payers compared with the statutory arrangements for paying across amounts to the General Fund from the London Boroughs and City of London Corporation's Collection Fund.

	Authority 2024/25 £000	Authority 2023/24 £000
Balance at 1 April	(67,524)	(5,910)
Amount by which non-domestic rate income credited to the Comprehensive Income and Expenditure Statement is different from non-domestic rates income calculated for the year in accordance with statutory requirements	21,296	(61,614)
Balance at 31 March	(46,228)	(67,524)

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 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Balance at 1 April	3,572	3,969	2,359	2,734
Settlement or cancellation of accrual made at the end of the preceding year	(3,572)	(3,969)	(2,359)	(2,547)
Amounts accrued at the end of the current year	4,296	4,760	3,572	3,782
Amount 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	724	791	1,213	1,235
Balance at 31 March	4,296	4,760	3,572	3,969

Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The Authority uses the Account to manage the write down of soft loans to fair value. The initial write down is debited to the CIES on recognition of the loan but reversed out of the General Fund Balance to the Account in the Movement in Reserves Statement. Over time, the write down is reversed by crediting the effective interest rate on the loan to the General Fund Balance over the life of the loan.

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Balance at 1 April	6,617	20,110	7,829	7,829
Write down of soft loans to fair value charged to the Comprehensive Income and Expenditure Statement	-	-	-	14,553
Effective interest rate on soft loans credited to the Comprehensive Income and Expenditure Statement	(2,002)	(2,933)	(1,212)	(2,272)
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	(2,002)	(2,933)	(1,212)	12,281
Balance at 31 March	4,615	17,177	6,617	20,110

Merger Reserve

The merger reserve arose as a result of the transfer of the net assets of London Development Agency, Homes and Communities Agency London and London Thames Gateway Development Corporation to the Authority on 1 April 2012.

	Authority	Group	Authority	Group
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Balance at 1 April	37,877	(359,385)	69,185	(361,410)
Movement in year	-	46,669	(31,308)	2,025
Balance at 31 March	37,877	(312,716)	37,877	(359,385)

44. Cash Flow Statement – Adjustments to net surplus or deficit on the provision of services for non-cash movements

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Depreciation of property, plant and equipment , amortisation of intangibles	5,292	6,374	2,981	4,013
Impairment of financial instruments at amortised cost	103,102	(5,507)	4,247	5,922
Inflation uplift on Bonds	4,420	4,420	16,470	16,470
Carrying amount of non-current assets sold or derecognised	393	393	-	-
Inventory disposals (East Bank)	-	136,608	-	210,279
Inventory disposals (Residential)	-	100	-	471
Change in fair value on FVTPL assets	(13,629)	176	(514)	235
Increase/(decrease) in fair value of investments	(5,066)	-	(27,414)	-
Change in fair value of investment property	-	14,295	-	105,783
Movement in pensions liability	(1,777)	(1,162)	(978)	278
Unwind of discount on loan investments	(2,003)	(2,934)	(1,211)	(2,249)
Unwind of discount in provisions	-	13,940	-	9,712
Increase/ (decrease) in creditors and deferred income	19,316	(31,935)	(264,311)	(387,503)
(Increase)/decrease in debtors	74,811	105,613	173,337	137,701
(Increase)/ decrease in inventories	-	19,924	-	42,403
Increase/ (decrease) in provisions	16,474	(103,603)	(101,522)	(188,599)
Tax expense	-	1,106	-	292
Uncertain Corporation Tax liability	-	22,000	-	-
(Increase)/decrease in interest receivable	(891)	932	889	(3,861)
Increase/(decrease) in finance lease receivables	-	9,580	-	2,491
Increase/(decrease) in interest payable	(7,874)	(10,013)	11,489	10,499
Other non cash movements	-	(6,398)	-	1,653
Inventory net change to net realisable value	-	2,666	-	3,480
Increase/ (decrease) in deferred tax liability	-	(1,761)	-	(6,705)
Inventory purchases not set against provision (East Bank)	-	(21,619)	-	(83,889)
Inventory purchases (Residential)	-	(243)	-	(112)
Reversal of share of loss or profit on associates and joint ventures	-	11,390	-	2,933
	192,568	164,342	(186,537)	(118,303)

45. Cash Flow Statement – Adjustments to net surplus or deficit on the provision of services for investing and financing activities

Adjustments to net surplus for investing or financing activities

	Authority	Group	Authority	Group
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
(Gain)/loss on financial instruments held at FVTPL	-	(16,300)	-	(4,426)
Reversal of capital grants recognised in the income and expenditure statement	(1,100,676)	(1,161,724)	(1,236,370)	(1,347,298)
Other investing or financing cash flows	(835)	(835)	-	8,792
	(1,101,511)	(1,178,859)	(1,236,370)	(1,342,932)

The cash flows for operating activities include the following items

	Authority	Group	Authority	Group
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Interest paid	165,044	165,044	162,728	162,728
Interest received	(189,390)	(168,406)	(206,768)	(188,755)
Taxation received	-	-	-	(16)

46. Cash Flow Statement – Investing Activities

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Purchase of property, plant and equipment and intangible assets	(2,558)	109	(7,395)	(8,843)
Purchase of investment property	-	(125,310)	-	(118,820)
Purchase of short-term and long-term investments	(231,381)	(110,196)	(349,597)	(709,344)
Cash held in LTLF LP disposed of at point of loss of control	-	-	-	(571,777)
Other movements in investing activities	274	9,574	-	-
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-	-	-	6,232
Capital grants received	1,100,676	1,151,686	1,244,383	1,374,909
Proceeds from short-term and long-term investments	251,114	259,716	91,061	227,488
Proceeds from the sale of financial instruments held at FVTPL	-	550	-	519
Investments in subsidiaries	-	(1,571)	-	(1,809)
Net cash flows from investing activities	1,118,125	1,184,558	978,452	198,554

47. Cash Flow Statement – Financing Activities

	Authority 2024/25 £000	Group 2024/25 £000	Authority 2023/24 £000	Group 2023/24 £000
Cash receipts of short and long-term borrowing	580,613	607,175	475,271	724,808
Other receipts from financing activities	-	(1)	2,306	9,286
Cash payments for the reduction of the outstanding liabilities relating to finance leases	(1,947)	(6,087)	-	-
Repayments of short and long-term borrowing	(686,215)	(814,476)	(704,746)	(765,410)
Other payments for financing activities	(20,497)	(39,190)	-	(1,257)
Net cash flows from financing activities	(128,046)	(252,579)	(227,169)	(32,574)

47a. Reconciliation of Liabilities arising from Financing Activities

Group

2024/25	Group 2023/24 31 March £000	IFRS 16 Lease Liability adjustment £000	Group 2024/25 1 April £000	Group Financing Cashflows £000	Group Non-financing cash Movements £000	Group 2024/25 31 March £000
Long Term and Short Term Borrowings	(5,345,152)	-	(5,345,152)	207,301	4,346	(5,133,505)
Lease Liabilities	(288)	(37,683)	(37,971)	5,339	(6,931)	(39,563)
Total Liabilities from Financing Activities	(5,345,440)	(37,683)	(5,383,123)	212,640	(2,585)	(5,173,068)

2023/24

	Group 2023/24 1 April £000	Group Financing Cashflows £000	Group Non-financing cash Movements £000	Group 2023/24 31 March £000
Long Term and Short Term Borrowings	(5,792,243)	25,447	421,644	(5,345,152)
Finance Lease Liabilities	(301)	13	-	(288)
Total Liabilities from Financing Activities	(5,792,544)	25,460	421,644	(5,345,440)

Group financing movements comprises the deconsolidation of £456 million uneliminated LTLF LP borrowing offset by the £27 million increase in accrued interest payable.

Authority

2024/25	Authority 2023/24 31 March £000	IFRS 16 Lease Liability adjustment £000	Authority 2024/25 1 April £000	Authority Financing Cashflows £000	Authority Non-financing cash Movements £000	Authority 2024/25 31 March £000
Long Term and Short Term Borrowings	(5,348,857)	-	(5,348,857)	105,602	3,454	(5,239,801)
Lease Liabilities	-	(26,873)	(26,873)	1,947	-	(24,926)
Total Liabilities from Financing Activities	(5,348,857)	(26,873)	(5,375,730)	107,549	3,454	(5,264,727)

2023/24

	Authority 2023/24 1 April £000	Authority Financing Cashflows £000	Authority Non-financing cash Movements £000	Authority 2023/24 31 March £000
Long Term and Short Term Borrowings	(5,550,373)	229,475	(27,959)	(5,348,857)
Finance Lease Liabilities	-	-	-	-
Total Liabilities from Financing Activities	(5,550,373)	229,475	(27,959)	(5,348,857)

48. Related Parties

IAS 24 (Related Party transactions) requires the Authority to disclose any material transactions with related parties, that is, bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to limit another party's ability to bargain freely with the Authority.

Transactions which have been disclosed elsewhere in these financial statements will not be included in this note.

Central Government

Central Government has significant influence over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates. It provides significant funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. Council Tax, Business Rates). Grants received from Government Departments are set out in the Grants note.

Transactions with London Treasury Liquidity Fund LP and the limited partners

London Treasury Liquidity Fund LP (LTLF LP)

LTLF LP is an alternative investment fund established on 29 January 2021, LTLF GP Limited is the general partner and the Authority is a founding limited partner and from 29 June 2023 Transport for London (TfL), Mayor's Office for Policing and Crime (MOPAC), London Fire Commissioner (LFC) and LPFA (London Pensions Fund Authority) joined as limited partners. All limited partners hold loan investments and have contributed a core commitment to LTLF LP.

LTLF LP is accounted for as an associate in the GLA's group accounts and as a long-term investment accounted for on an equity basis on the GLA's single entity accounts.

At 31 March 2025, the Authority held loan notes in LTLF LP totalling £2.6 billion and made a £55.6 million core commitment. See note 50f for further information.

Transactions between the Authority and the other limited partners in LTLF LP are set out below.

TfL is a functional body of the GLA and is a statutory corporation. The Mayor is the Chair of TfL's Board and appoints the Board's membership. The Mayor is responsible for setting fares, TfL's council tax requirement and borrowing limits. Although the Mayor appoints the TfL Board, the direction of TfL's relevant activities is undertaken by executive management personnel who are not appointed by the Mayor. The GLA does

not provide the majority of TfL's funding and is not exposed, or entitled, to the majority of TfL's variable returns; where exceptional funding requirements arise, support is sought from central government. Accordingly, the GLA has concluded that it does not control TfL within the meaning of IFRS 10 and TfL is therefore not consolidated in the GLA group accounts.

In 2024-25, £58.4 million was payable in grants to TfL. This includes £30.3 million scrappage funding, £17.6 million for ULEZ and £10.5 million for the off-peak Friday trial. Crossrail funding of £35 million was paid as capital grant.

In year, £19.9 million was payable to TfL for shared and other services and includes group procurement collaboration, information technology, legal, human resources and the business services.

The Authority is reimbursed by TfL for the cost of congestion charge appeals costs, in 2024-25, £2.0 million was receivable.

The Authority held the following significant balances with TfL at 31 March 2025:

Debtors - £3.9 million – of which £1.5 million relates to the reimbursement of congestion charges.

Creditors - £9.3 million – consisting mainly of £0.6 million East London Line grants, £6.4 million shared service fees for group procurement, information technology, human resources and legal services and £2.2 million which includes operational network costs, data centre costs, funding and secondments.

MOPAC is a functional body of the GLA. The Mayor is responsible for setting the MOPAC's council tax requirement and borrowing limits. The primary function of MOPAC is to secure the maintenance of an efficient and effective metropolitan police force in London, and to hold the Commissioner of Police of the Metropolis (CPM) to account for the exercise of operational policing duties under the Police Act 1996. The CPM is responsible for the Metropolitan Police Service.

In 2024-25, £5.2 million was Minimum Funding Guarantee grant was payable by the Authority to MOPAC; £0.9 million was payable by the Authority to MOPAC, consisting grants, shared service fees, agency costs and audit fees

There are no significant debtor or creditor balances with MOPAC at 31 March 2025.

LFC is a functional body of the GLA. Under the Policing and Crime Act 2017, the previously known LFEPA was abolished on 31 March 2018 and the London Fire Commissioner ("LFC") was established as a corporation sole on 1 April 2018. The Mayor appoints the London Fire Commissioner and sets its council tax requirement and borrowing limits.

The Authority paid LFC £2.6 million to support 2023-24 national insurance increases. There are no significant debtor or creditor balances at 31 March 2025.

Statutory payments to the TfL, MOPAC and LFC

Sections 102 and 103 of the Greater London Authority Act 1999 (as amended) require the Greater London Authority to pay over to the functional bodies, their share of government grants and precepts required to fund their budget requirements, as calculated under section 85(4) to (7) of the aforementioned Act. The table below sets out the allocation of the council tax precepts and retained business rates.

	2024/25 Business Rates £000	2024/25 Council Tax £000
TfL	2,169,860	244,135
MOPAC	179,356	963,695
LFC	282,795	211,358

LPFA is a local government pension fund, and whilst not a functional body of the GLA, the Greater London Authority Act 1999 gives the Mayor certain powers in relation to the London Pensions Fund Authority, such as appointing members to the LPFA board.

At 31 March 2025, £1.2 million is payable to LPFA for employee and employer pension contributions.

Transactions with public bodies

During the year amounts payable to related parties totaled:

	2024-25 £000	2023-24 £000
Local Government	551,019	426,692
Public Corporations	129	167
Hospitals	2,431	1973

For amounts owed by the Authority to related parties, see Creditors, Note 40.

Significant grants receivable from related parties are disclosed in Note 16 Grant Income and within Note 13 Taxation and Non-Specific Grant Income and Expenditure.

For amounts owed to the Authority by related parties, see Debtors Note 38.

Transactions with subsidiaries

The following paragraphs set out the transactions between the Authority and its subsidiaries.

Greater London Authority Holdings Limited (GLAH)

GLAH is a wholly owned subsidiary of the Greater London Authority. The Authority holds a £1 share in GLAH. GLAH, in turn, is the parent of GLA Land and Property Limited (“GLAP”), GLAP is a wholly owned subsidiary of GLAH. The Authority has prepared group accounts which consolidate the group accounts of Greater London Authority Holdings Limited.

During the year, the Greater London Authority (GLA) charged the Company £6.8 million for staff, accommodation and other overhead costs (£5.5 million in 2023-24).

Loans from the GLA, excluding accrued interest, total £317 million (£430 million at 31 March 2024) with interest of £17.2 million payable to the GLA in respect of these loans (£21.2 million in 2023-24) (see notes 21 and 22 for further details), including a £1.0 million premium for the early redemption of a loan in 2024-25.

At 31 March 2025, the Company had £93.1 million surplus cash on deposit with the GLA, (£27.7 million at 31 March 2024).

At 31 March 2025, GLAH owed GLA £3.2 million for recharged costs.

London Treasury Ltd (LTL)

LTL was acquired by the GLAH in August 2018 and operates under the Financial Services and Markets Act 2000 authorisation and provides treasury management services to the GLA, its functional bodies (except TfL).

In 2024-25 the GLA paid £1.4 million to LTL in fund manager fees (£1.1 million – 2023-24).

At 31 March 2025, LTL’s net assets totalled £1.6 million (£1.5 million at 31 March 2024).

London TravelWatch (LTW)

London TravelWatch is a body corporate (under its statutory title of the London Transport Users Committee). It acts as an independent passenger watchdog, reviewing London’s transport services, conducting research into London’s Transport and acting as an appeals body for passenger complaints. LTW reports to and is funded by the London Assembly. The Board of LTW comprises a Chair and 12 members, all of whom are appointed by the London Assembly. They are supported by around 9.1 full time equivalent staff. Its legal status is set out in the Greater London Authority Act 1999 as amended by the Railways Act 2005.

The London Assembly has the power to issue guidance and direction to London TravelWatch subject to explaining why any such action is proposed. The London Assembly also approves LTW’s budget and requires that its accounts and business plan be submitted to the GLA.

In 2024-25 the Authority provided funding of £1.2 million to LTW (£1.1million – 2023-24).

London Legacy Development Corporation

LLDC is a mayoral development corporation, created using powers given to the Mayor of London in the Localism Act 2011, and its purpose is to manage the ongoing regeneration and development of the Olympic Park and surrounding areas of east London. The LLDC was created on 9 March 2012 and, on 1 April 2012, the property, assets, liabilities, and staff of the Olympic Park Legacy Corporation transferred to the LLDC.

The LLDC has been accounted for as a subsidiary of the Authority in the consolidated financial statements.

In 2024-25 the Authority paid LLDC revenue grant totalling £70.9 million (£49.5 million – 2023-24) and capital grant totalling £0 million (£89 million – 2023-24). The loan balance at 31 March 2025 was £507.8 million (£512.7 million – 31 March 2024).

Interest receivable on the loan totalled £16.9 million (£15.2 million – 2023-24).

London Stadium LLP (LS LLP)

London Stadiums LLP is a wholly owned subsidiary of GLAH. GLAH acquired LLDC's 99% interest in LS LLP on 31 March 2025. Subsequent to the acquisition of LS LLP, GLAH, on 31 March 2025 made a £111.2 million capital contribution to LS LLP. These funds were used by LS LLP to repay an outstanding loan with LLDC.

Old Oak and Park Royal Development Corporation (OPDC)

OPDC is a mayoral development corporation established under the powers of the Localism Act 2011. The OPDC has planning powers and regeneration responsibility within its boundaries. The corporation is responsible for the regeneration of Old Oak Common in West London. The organisation was created on the 1 April 2015.

During 2024-25, the GLA provided revenue grant funding of £13.1 million (£10.1 million in 2023-24) and advanced £47.8 million (£50 million in 2023-24) to OPDC to fund land acquisitions for the Old Oak Park Royal development. At 31 March 2025 loans to OPDC total £97.8 million and interest receivable totalled £1.6 million.

London 2017 Limited

London 2017 Limited was set up jointly by the GLA and UK Athletics (UKA) with the purpose of organising and staging the IAAF World Championship in London in 2017. The Mayor appointed a Co-chair and one other Director to the company's board.

The company is in liquidation as all the activities in relation to the championship have now ended.

London Power Co. Ltd (LPC)

London Power Co. Limited is a private company limited by shares. It was incorporated on 19 July 2019. LPC has contracted the services of energy supplier Octopus Energy Limited to provide gas and electricity to Londoners.

LPC has not been consolidated into GLA's group accounts on materiality grounds.

LPC borrowing (including accrued interest) from the GLA stood at £0.05 million at 31 March 2025 (£0.1 million at 31 March 2024). In 2024-25, the Greater London Authority (GLA) charged the LPC £0.04 million for accommodation and other overhead costs (£0.07 million – 2023-24).

Other Parties

Future of London 2011 Ltd.

An Executive Director was a board member of Future of London 2011.

During 2024-25, the GLA paid £35k to Future of London, for Sponsorship of Council led housing training (88k in 2023-24).

Parks for London

At 31 March 2025, an Assistant Director was a Trustee of Parks for London

During 2024-25, the GLA paid a £10k grant to Parks for London to fund park projects. (£31k in 2023-24)

London Funders

At 31 March 2025, an Executive Director was a Trustee of London Funders.

During 2024-25, the GLA paid of £0.2 million to London Funders for annual membership and to fund infrastructure projects. (£0.3 million in 2023-24)

Hyde Housing Association

At 31 March 2025, the husband of an Assistant was a Board member of the Hyde Housing Association.

During 2024-25, the GLA paid of £77.7 million to Hyde Housing Association as grants housing projects. (£12.1 million in 2023-24)

49. Interests in Other Organisations

Museum of London

From 1 April 2008, the Authority assumed the role of co-sponsor (along with the Corporation of London) of the Museum of London and has the right to appoint half of the Museum's Board.

The Authority has also committed to contribute £95 million to part fund the relocation of the Museum of London from its current London Wall

site to a new site at Smithfield General Market.

In 2024-25, the GLA provided £8.1 million revenue grant funding (£7.9 million – 2023-24) and £55 million capital grant funding to the Museum of London.

London & Partners

London & Partners was incorporated on 14 January 2011 as a company limited by guarantee. It commenced operations on 1 April 2011. London & Partners is a commercially driven organisation, championing London as the best big city on earth. It will generate economic benefits for the capital and maintain London's leading position by attracting and generating spend from visitors and overseas students; attracting, accelerating and expanding foreign direct investment in London; and leveraging private sector investment and expertise.

The Mayor is the founding member of London & Partners. Under the articles of association, the Mayor retains the power to appoint the chair and one other non-executive director to the board.

During the financial year 2024-25, the GLA made grant payments of £22.9 million (£20.9 million – 2023-24) to London & Partners.

ReLondon

The London Waste and Recycling Board (LWARB) has changed its name to ReLondon. LWARB was established by the Greater London Authority Act 2007 to promote and encourage the production of less waste, an increase in the proportion of waste that is re-used or recycled and the use of methods of collection, treatment and disposal of waste which are more beneficial to the environment in London. Mete Coban, Deputy Mayor for Environment and Energy, has been appointed by the Mayor as Chair.

In 2024-25 and in 2023-24 there were no transactions between the GLA and ReLondon.

Royal Docks Management Authority Limited

The Royal Docks Management Authority Limited (RoDMA), established in 1990, holds a 225-year lease of the water areas and associated marine infrastructure of the Royal Docks and is responsible for their control and management.

At 31 March 2025, GLAP holds 94.5% of the RoDMA shares and 34.34% of the voting rights. The Department for Environment, Food and Rural Affairs (DEFRA) holds a special share (it was historically delegated to the London Borough of Newham) which gives it control over key decisions – DEFRA are in the process of reviewing their ownership of the Special Share as part of a wider RoDMA governance review; GLAP therefore has significant influence but does not control RoDMA. RoDMA is held as an associate in GLAP's financial statements but, as it was acquired at nil cost, there is no carrying value in the Group accounts.

During 2024-25, £0.5 million was payable to RoDMA for service charges and insurance premia; £0.5 million was payable in 2023-24.

Greenwich Peninsula Estate Management Limited

Greenwich Peninsula Estate Management Limited was established to manage, maintain and administer the Greenwich Peninsula estate. GLA Land and Property Ltd. appoints one out of seven directors.

In 2024-25 and in 2023-24 there were no transactions between the GLA and Greenwich Peninsula Estate Management Limited.

Real Lettings Property Fund 2 LP (RLPF2)

RLPF2 was registered as a limited partnership in December 2016 and the fund was launched in January 2017. The limited partners are GLAP, LB Croydon, LB Lambeth, LB Westminster, Guys and St Thomas and Trust for London. The target size for the RLPF2 is over £100 million up to a maximum of £200 million. A fund of £100 million should allow the purchase, refurbishment, letting and management of affordable homes.

At 31 March 2025, GLAP has made a capital contribution of £1.9k and an interest free loan of £19.2 million, the same as at 31 March 2024. As a limited partner GLAP does not have control.

The interest in RLPF2 is an equity investment and is carried at fair value through profit and loss in the Group balance sheet.

Resonance Everyone In LP (REILP)

GLAP became a limited partner of REILP on 3 March 2021. The limited partnership's objective is the provision of accommodation for rough sleepers.

At 31 March 2025, GLAP's capital contribution and interest free loan to REILP totalled £5 million same as at 31 March 2024. As a limited partner GLAP does not have control.

The interest in REILP investment an equity investment and is carried at fair value through profit and loss in the Group balance sheet.

Barking Riverside Limited (BRL)

Barking Riverside Limited is a joint venture between London & Quadrant New Homes Limited and GLA Land and Property Limited.

The joint venture company is leading on the delivery of the new Barking Riverside neighbourhood, Barking, East London. The site is being remediated and site wide infrastructure developed to allow the release of plots for residential and commercial development.

GLA Land and Property Limited holds 49% of the share capital and 50% of the voting rights. The Deputy Mayor for Housing and Residential Development, the GLA's Executive Director Housing and Land and the Assistant Director of Investment and Operations are three of the six

directors of Barking Riverside Limited.

Loan investments to joint venture – Non-Current

	31 March 2025 £000	31 March 2024 £000
Loans to joint venture	131,982	135,332
Expected credit loss provision (IFRS 9)-Joint Venture	(26,745)	(28,316)
	105,237	107,016
Share of loss in joint venture (IAS 28)	(28,999)	(17,609)
At 31 March	76,238	89,407
	2025 £000	2024 £000
At 1 April	89,407	88,876
Loans advanced in year	-	5,580
Interest receivable	6,470	5,972
Repayments	(9,820)	-
Expected credit loss provision	1,571	(1,249)
Share of loss in joint venture (IAS 28)	(11,390)	(9,772)
At 31 March	76,238	89,407

At 31 March 2025, the BRL loans advanced balance stood at £131.9 million (£135.3 million at 31 March 2024) with £9.8 million repaid in year. Interest receivable for the year 2024-25 totalled £6.5 million.

The following table summarises the financial information of BRL as included in its own financial statements. The table also reconciles the summarised financial information to GLAP's share of BRL's net liabilities/cumulative loss.

	31 March 2025 £000	31 March 2024 £000
Percentage ownership interest	49%	49%
Voting share	50%	50%
	£000	£000
Non-current assets	640	719
Current assets (including cash and cash equivalents – 31 Mar 2025 £13,234k / 31 Mar 2024 £7,292k)	361,208	338,946
Non-current liabilities	(413,310)	(367,079)
Current liabilities	(7,719)	(8,523)
Net liabilities (100%)	(59,181)	(35,937)
*GLAP's share of net liabilities (49%)	(28,999)	(17,609)
<i>Non-current financial liabilities (excluding trade and other payables and provisions) 100%</i>	<i>(299,828)</i>	<i>(264,711)</i>
<i>Current financial liabilities (excluding trade and other payables and provisions) 100%</i>	<i>-</i>	<i>-</i>
<i>GLAP's share of non-current & current financial liabilities (excluding trade and other payables and provisions) (49%)</i>	<i>(146,916)</i>	<i>(129,708)</i>
Turnover	(1,574)	(11,773)
Depreciation and amortisation	77	72
Interest income	(724)	(91)
Interest expense	18,540	15,429
Loss and total comprehensive income and expenditure (100%)	23,244	19,943
Loss and total comprehensive income and expenditure (49%)	11,390	9,772

*GLAP - GLA Land and Property Limited

London Treasury Liquidity Fund LP (LTLF LP) - Equity Accounted Investee

LTLF LP is an alternative investment fund established on 29 January 2021, LTLF GP Limited is the general partner and the GLA is one of six limited partners. LTLF LP is accounted for as an associate in the GLA Group accounts.

At 31 March 2025, the Authority held loan notes in LTLF LP totalling £2.6 billion and a £55.6 million core commitment. See note 50f for further

information.

The following table summarises the financial information of LTLF LP as included in its own financial statements. The table also reconciles the summarised financial information to GLA's share of LTLF LP's net liabilities/cumulative loss.

LTLF LP	31 March 2025 £000	31 March 2024 £000
Percentage ownership interest*	82.6%	83.0%
Voting share	16.7%	16.7%
	£000	£000
Non-current assets	1,333,468	1,335,150
Current assets (including cash and cash equivalents (£1,659.8 million at 31 March 2025 / £491.6 million at 31 March 2024))	2,441,807	1,406,853
Non-current liabilities	(3,707,565)	(2,649,215)
Current liabilities	(342)	(1,800)
Net assets (100%)	67,368	90,988
*GLA's share of net assets (83.0%)	55,625	75,530
Non-current financial liabilities (excluding trade and other payables and provisions) 100%	(3,707,565)	(2,649,215)
Current financial liabilities (excluding trade and other payables and provisions) 100%	-	-
GLA's share of non-current & current financial liabilities (excluding trade and other payables and provisions) (82.6% / 83.0%)	(3,061,285)	(2,199,138)

LTLF LP Income Statement	2024/25	2023/24
	£000	£000
Turnover	(177,674)	(192,667)
Admin exp	1,686	1,507
(Gain)/loss on revaluation of investments	9,689	(13,120)
General Partner's Share	2,006	2,003
Profit before partners' remuneration and profit shares	(164,293)	(202,277)
Interest on LPs loans	157,261	171,740
Fair Value loss from last year transferred from LP's reserves	-	(658)
Profit adjustment for last year's expense	-	44
Profit before partners' remuneration and profit shares less interest allocated to LP loans	(7,032)	(31,151)
GLA's share of profit attributable to core return	(5,066)	(27,414)

50. Financial Instruments

Financial instruments are contracts that give rise to a financial asset in one entity and a financial liability or equity in another. The figures on the balance sheet are adjusted to exclude balances that are not financial instruments, this includes, inter alia, statutory debtors and creditors, prepayments and receipts in advance.

50a. Group Categories of Financial Instruments

The following categories of financial instruments are carried in the Balance Sheet:

Long-Term		Authority	Group	Authority	Group
		31 March 2025	31 March 2025	31 March 2024	31 March 2024
	Note	£000	£000	£000	£000
Investments-Long term					
Financial assets at amortised costs	50g	10,476	109,717	10,539	170,052
Financial assets - equity accounted	31	55,625	55,625	75,530	75,530
Financial assets at FVTPL	50g	-	244,794	-	249,704
Total investments		66,101	410,136	86,069	495,286
Debtors-Long Term					
Financial assets at amortised costs		498,440	254,476	433,530	217,575
Financial assets at FVTPL		577,451	16,141	562,698	13,069
Finance lease receivables		272	28,565	-	9,513
Total Debtors		1,076,163	299,182	996,228	240,157
Borrowings-Long term					
Financial liabilities at amortised costs		(4,709,281)	(4,725,255)	(4,885,861)	(4,909,890)
Total borrowings		(4,709,281)	(4,725,255)	(4,885,861)	(4,909,890)
Creditors and Other Long Term Liabilities -Long term					
Financial liabilities at amortised costs		-	(9,776)	(4,394)	(18,625)
Finance lease liabilities		(22,874)	(57,173)	-	(276)
Total creditors		(22,874)	(66,949)	(4,394)	(18,901)

Current	Authority	Group	Authority	Group	
	31 March 2025	31 March 2025	31 March 2024	31 March 2024	
	£000	£000	£000	£000	
Investments					
Financial assets at amortised costs	50g	20,058	33,779	110,176	157,646
Unquoted equity investments at cost		-	-	-	-
Financial assets at FVTPL		-	18,670	-	-
Total investments		20,058	52,449	110,176	157,646
Debtors					
Financial assets at amortised costs		268,484	149,686	420,174	279,540
Finance lease receivables		289	9,975	-	38,945
Total Debtors		268,773	159,661	420,174	318,485
Cash and cash equivalents		2,601,069	2,669,289	2,524,524	2,680,776
Borrowings					
Financial liabilities at amortised costs		(530,520)	(408,251)	(462,996)	(435,263)
Total borrowings		(530,520)	(408,251)	(462,996)	(435,263)
Creditors					
Financial liabilities at amortised costs		(268,126)	(263,496)	(236,496)	(295,817)
Finance lease liabilities		(2,052)	(4,314)	-	(12)
Total creditors		(270,178)	(267,810)	(236,496)	(295,829)

50b. Material soft loans made by the Authority

A soft loan is a loan at less than market rates. The Authority has made the following significant soft loans to support the provision of housing development and related infrastructure.

	2024/25	2023/24
	£m	£m
Network Homes	21.0	21.0
Big Issue	10.0	10.0
LB Kingston	26.6	26.6
LB Lambeth	50.0	50.0
Tonic Housing Association	-	1.0
Nominal value at 31 March	107.7	108.6

The movement on significant soft loans:

	Authority	Authority
	31 March	31 March
	2025	2024
	£000	£000
Opening balance at 1 April	91,594	52,668
Nominal value of new loans granted in year	-	50,000
Fair value adjustment on initial recognition	-	(10,427)
Loans repaid	(977)	(2,701)
Increase in discounted amount	2,003	2,054
Other changes	-	-
Closing balance at 31 March	92,620	91,594
Nominal value at 31 March	107,663	108,640

Valuation Assumptions

The interest rate used to discount the soft loans is the Authority's cost of borrowing when the loan was advanced plus a margin to reflect the credit risk.

50c. Group Income, Expense, Gains and Losses

	2024/25			
	£000			
	Financial Liabilities measured at amortised costs	Financial Assets at amortised cost	Financial Assets at FVTPL	Total
Interest expense	119,195	-	-	119,195
Finance lease interest	2,157	-	-	2,157
Expected and actual credit losses/(reversals)	-	(10,955)	-	(10,955)
Unwind of discount on non-current creditors	515	-	-	515
Fee expense	152	-	-	152
Total expense in (Surplus) or Deficit on the Provision of Services	122,019	(10,955)	-	111,064
Interest income	-	(114,068)	(17,599)	(131,667)
Finance lease interest	-	(1,824)	-	(1,824)
(Increase)/Decrease in fair value	-	-	(20,132)	(20,132)
Unwind of discount on non-interest bearing loan investments and debtors	-	(1,187)	-	(1,187)
(Gains)/losses on derecognition	-	-	(830)	(830)
Income distribution from LP	-	-	(496)	(496)
Total income in (Surplus) or Deficit on the Provision of Services	-	(117,079)	(39,057)	(156,136)
Net (gain)/loss for the year	122,019	(128,034)	(39,057)	(45,072)

	2023/24			Total
	Financial Liabilities measured at amortised costs	Financial Assets at amortised cost	Financial Assets at FVTPL	
Interest expense	137,074	-	-	137,074
Finance lease interest	216	-	-	216
Expected and actual credit losses/(reversals)	-	5,998	-	5,998
Unwind of discount on non-current creditors	497	-	-	497
Fee expense	156	-	-	156
Total expense in (Surplus) or Deficit on the Provision of Services	137,943	5,998	-	143,941
Interest income	(106)	(106,255)	(56,934)	(163,295)
Finance lease interest	-	(1,991)	-	(1,991)
(Increase)/Decrease in fair value	14,409	-	2,405	16,814
Unwind of discount on non-interest bearing loan investments and debtors	(916)	(1,458)	-	(2,374)
(Gains)/losses on derecognition	-	-	(439)	(439)
Income distribution from LP	-	-	(705)	(705)
Total income in (Surplus) or Deficit on the Provision of Services	13,387	(109,704)	(55,673)	(151,990)
Net (gain)/loss for the year	151,330	(103,706)	(55,673)	(8,049)

50d. Authority Income, Expense, Gains and Losses

2024/25	Financial Liabilities measured at amortised cost	Financial Assets at amortised cost	Financial Assets at FVTPL	Total
	£000	£000	£000	£000
Interest expense	155,756	-	-	155,756
Finance lease interest expense	1,412	-	-	1,412
Impairment losses	-	93,120	-	93,120
Fee expense	152	-	-	152
Total expense in (Surplus) or Deficit on the Provision of Services	157,320	93,120	-	250,440
Interest income	-	(172,016)	(17,211)	(189,227)
Finance Lease interest income	-	(45)	-	(45)
(Increase)/decrease in fair value	-	-	(13,630)	(13,630)
Gains on derecognition	-	-	(963)	(963)
Total income in (Surplus) or Deficit on the Provision of Services	-	(172,061)	(31,804)	(203,865)
Net (gain)/loss for the year	157,320	(78,941)	(31,804)	46,574

2023/24	Financial Liabilities measured at amortised cost	Financial Assets at amortised cost	Financial Assets at FVTPL	Total
	£000	£000	£000	£000
Interest expense	174,218	-	-	174,218
Impairment losses	-	4,247	-	4,247
Fee expense	156	-	-	156
Total expense in (Surplus) or Deficit on the Provision of Services	174,374	4,247	-	178,621
Interest income	-	(164,089)	(15,441)	(179,530)
(Increase)/decrease in fair value	-	-	(514)	(514)
Unwind of discount on loan	-	(1,212)	-	(1,212)
Gains on derecognition	-	-	(551)	(551)
Total income in (Surplus) or Deficit on the Provision of Services	-	(165,301)	(16,506)	(181,807)
Net (gain)/loss for the year	174,374	(161,054)	(16,505)	(3,186)

50e. Fair Value Hierarchy for financial assets and liabilities measured at fair value

Fair Value through Profit and Loss (FVTPL)

Equity Mortgages are carried at fair value and gains and loss are recognised in the income and expenditure account as they arise. They are valued with reference to published house price indices – the Land Registry house price index for the London region - these are Level 2 fair value measurements (see accounting policy xvii for an explanation of the fair value levels). They are long term investments which are classified as Fair Value through Profit and Loss (see Note 50a) and at 31 March 2025 totalled £30.2 million (£29.9 million at 31 March 2024).

Fund and partnership investments (including fund investments (Note 30)) totalling £220.3 million at 31 March 2025 (£208.3 million at 31 March 2024) are classified as Fair Value through Profit/Loss (FVTPL) and gains and loss are recognised in the income and expenditure account as they arise.

Some of the investments are held by Fund Managers which provide estimated net asset values of the funds on which the 31 March 2025 valuation is based. For other equity investments, valuations are based on the most recent fundraising round with adjustments made to that valuation where required. Other valuations are based on the International Private Equity and Venture Capital Valuation (IPEV) Guidelines, an approach that draws upon the business prospects as reported by the investee companies on a 6 monthly basis and their other periodic shareholder reports – these are Level 3 fair value measurements.

Transfers between levels in the Fair Value hierarchy for assets measured at fair value

There were no transfers out of level 2 during the year.

50f. Fair Value Hierarchy for financial assets and liabilities not measured at fair value

The fair value disclosures for financial assets and liabilities not measured at fair value are calculated using Level 2 inputs.

Financial assets and liabilities measured at amortised costs

Group

Except for the financial assets carried at fair value (described in note 50e) all other financial liabilities and financial assets are classified as amortised cost and are carried in the Balance Sheet at amortised cost.

Authority only

The loan investment held in LTLF LP, totalling £2.6 billion, at 31 March 2025, is classified as cash and cash equivalents because the funds are

held for meeting short-term cash commitments rather than for investments or other purposes and meet the IAS 7 criteria, as set out below:

1. **Short term** – the loan notes are redeemable on demand, thereby making it an instant access instrument except for very limited circumstances when the fund does not have enough liquidity to honour the redemption. The rules around redemptions run in continuity with GIS scheme, which this fund supersedes; and in 12 years of GIS existence the failure to honour a redemption has never occurred. The fund itself operates an investment strategy that enables it to plan for the redemptions accordingly and, going forward, it is to receive the cashflow forecasts from each limited partner.
2. **Highly liquid** – as indicated above, the loan notes are redeemable on demand and are thus highly liquid, with daily issues and redemptions of significant volume.
3. **Readily convertible to known amounts of cash** – this is reflected in the loan agreement, with the value of loan account being the net of issues and redemptions, hence the convertible amount is always known at any point in time. The interest it attracts equals the Bank of England Sterling Overnight Index Average (SONIA) base rate.
4. **Subject to insignificant risk of changes in value** – a Redington report found value at risk for the underlying portfolio of the fund is lower than 2%, and the fair value movements, should they occur, are absorbed by the core commitment rather than the loan notes. The balance of core commitment is set and reviewed in accordance with value at risk parameters, hence the risk of losses exceeding the core commitment is negligible.

Also, the LTLF LP investment strategy requires the weighted average maturity of the assets to not exceed 60 days at any given point in time.

The value of the Authority's core commitment (LTLF LP Partnership Contribution) is equity accounted as set out in IAS 28, as permitted in IAS 27. At 31 March 2025 the carrying value totalled £55.6 million.

The expected credit loss allowance for the LTLF LP fund has been assessed as immaterial and as the GLA core commitment is part of the LTLF LP fund, the ECL attributable to the GLA core commitment would also be immaterial and has therefore not been recognised in these financial statements.

LTLF LP is a partnership that was set up with the intention of replacing the previous Group Investment Syndicate (GIS) arrangement, with all new investment deals carried out via the limited partnership. The purpose of this is to optimise the previous collective investment arrangement and make it easier for new partners to enter into the agreement.

50g. Fair Value for financial assets and liabilities

The Code requires disclosure of information comparing the fair values and carrying values for financial instruments.

The following table gives the fair value information for both financial instruments held at amortised cost and at fair value through profit and loss:

	Authority 31 March 2025 Carrying value £000	Group 31 March 2025 Carrying value £000	Authority 31 March 2025 Fair Value £000	Group 31 March 2025 Fair Value £000
Borrowing - non-current and current	(5,239,801)	(5,133,506)	(4,746,241)	(4,639,946)
Investments - non-current and current at amortised cost	30,535	143,496	30,535	143,496
Investments - non-current - equity accounted	55,625	55,625	55,625	55,625
Investments - non-current and current at fair value through profit and loss	-	263,464	-	263,464

	Authority 31 March 2024 Carrying value £000	Group 31 March 2024 Carrying value £000	Authority 31 March 2024 Fair Value £000	Group 31 March 2024 Fair Value £000
Borrowing - non-current and current	(5,348,857)	(5,345,153)	(4,924,202)	(4,920,498)
Investments - non-current and current at amortised cost	120,715	327,698	120,715	327,698
Investments - non-current - equity accounted	75,530	75,530	75,530	75,530
Investments - non-current and current at fair value through profit and loss	-	249,704	-	249,704

The fair value of amortised cost investments can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- For long-term Public Works Loans Board (“PWLB”) borrowings – the fair value for PWLB Borrowings is based on the PWLB new borrowing rate; for long term bonds, market data relating to the relevant bonds are used to determine the fair value of this loan; interest rates at 31 March 2025 used for discounting, ranged from 4.81% to 5.63% (4.61% to 5.36 at 31 March 2024);
- Where borrowing or investments will mature within 12 months, carrying amount is assumed to approximate to fair value;

- Where borrowing or investments attract interest at a variable rate related to an underlying market measure (such as base rate) and the next rate reset will occur within 12 months, the carrying amount is again assumed to approximate to fair value;

The fair value of borrowing, at 31 March 2025, is less than the carrying value because the Authority and Group's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the prevailing rates at the Balance Sheet date. This shows a notional future gain (based on economic conditions at 31 March 2025) arising from a commitment to pay interest to lenders below current market rates.

Investments at amortised costs consist of call and notice bank accounts and money market instruments. Short-term investments are held at cost and fair value has not been calculated because the carrying amount is a reasonable approximation of the fair value.

Financial assets at fair value through profit and loss consists of long-term equity mortgages and fund investments.

50h. Nature and Extent of Risks arising from Financial Instruments

The Authority and Group's activities expose them to a variety of financial risks including:

- credit risk - the possibility that other parties might fail to pay amounts due to the Authority/Group;
- liquidity risk - the possibility that the Authority/Group may not have the funds available to meet its commitments to make payments;
- market risk - the possibility that financial loss might arise as a result of changes in interest rates

Maintaining affordability of borrowings, preserving invested principal and maintaining prudent levels of liquidity are the principal treasury management objectives for the Group, with secondary objectives of maximising investment yield and minimising borrowing costs. Treasury management is integral to the Authority/Group bodies' wider risk management strategies under policies approved by each body's governing body in their treasury management strategy. These strategies set out the principles for overall risk management, as well as covering specific areas such as the authorised limit for external debt and the investment of surplus cash.

The treasury management function for the Authority, Greater London Holdings Limited and GLA Land and Property Limited is delivered by London Treasury Limited (LTL), a wholly owned subsidiary of the GLA, authorised and regulated by the Financial Conduct Authority (FCA).

Each entity within the GLA Group, save Greater London Holdings Limited, separately manages the risks arising from the financial instruments that they hold. The following notes detail the nature and extent of risk facing each significant Group entity.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers. Credit ratings form the backbone of the investment policy for selecting institutions with which the Authority will invest surplus funds, based on knowledge and understanding of the risks involved. Although no combination of ratings can be viewed as fail-safe, the credit criteria for 2024-25 were based on Fitch, Moody's and Standard and Poor's suite of ratings, supported by broader market information. Relevant changes in counterparties' credit standing are reviewed daily, with updates provided by the Authority's treasury advisors. Where counterparties' credit standings are downgraded, the relevant investment limits are reduced with immediate effect or, where minimum criteria fail to be met, further investment is suspended. Maximum limits, for principal invested with each counterparty, are reviewed regularly with reference to relative risk and the Authority's cash flow requirements. All the Authority's investments are sterling denominated.

At 31 March 2025, the majority of the Authority's cash was placed with LTLF LP, which, in turn, operates a portfolio where all of its money market investments and cash as at 31 March 2025 were placed with institutions with at least a BBB+ credit rating. The Treasury Management Strategy Statement (TMSS) allows the use of institutions with credit ratings of BBB and higher. The long-term loans to GLA Land and Property Limited and the London Legacy Development Corporation are not deemed to pose separate credit risk given the level of parental control and the Authority does not consider the variable rate funding agreement to be at risk of default.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period is set out in Note 50a, in the Categories of Financial Instruments table.

Expected credit loss reconciliation

Group	Long-term loans for capital purposes*	Finance lease receivables	Trade receivables	Total
	£000	£000	£000	£000
Balance as at 1 April 2024	(51,105)	(638)	(873)	(52,616)
Movement in loss allowance	11,755	(899)	98	10,954
Amount charged to CIES in year	11,755	(899)	98	10,954
Balance as at 31 March 2025	(39,350)	(1,537)	(775)	(41,662)

Group**Expected credit loss and impairment of financial instruments charged to CIES**

	2024/25 £000	2023/24 £000
Expected credit loss on loans advanced for capital purposes	(11,755)	4,301
Expected credit loss on trade receivables	(98)	115
Expected credit loss on finance lease receivables	899	(418)
Impairment of loan investments	0	2,000
	(10,954)	5,998

Authority

	Long-term loans for capital purposes*	Equity Investment	Trade receivables	Total
	£000	£000	£000	£000
Balance as at 1 April 2024	(46,157)	-	(256)	(46,413)
Movement in loss allowance	18,107	(111,217)	(10)	(93,120)
Amount charged to CIES in year	18,107	(111,217)	(10)	(93,120)
Balance as at 31 March 2025	(28,050)	(111,217)	(266)	(139,533)

Authority**Expected credit loss and impairment of financial instruments charged to CIES**

	2024/25 £000	2023/24 £000
Expected credit loss on loans advanced for capital purposes	(18,106)	2,207
Expected credit loss on trade receivables	10	40
Impairment of equity investments	111,217	-
Impairment of loan investments	-	2,000
	93,121	4,247

An expected credit loss allowance was recognised for all default exposure with an applied loss given default percentage of 35% for collateral backed loans and 45% for all other loans.

At 31 March 2025, the collateral held was mainly in the form of charges on the property development (completed and under construction), land and tangible assets. The collateral exceeded the credit exposure on 41.7% of the loan investments and finance lease receivables held by the Group.

Liquidity Risk – Group

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation.

The Group bodies manage liquidity risk by maintaining access to a number of sources of funding which are sufficient to meet anticipated funding requirements. As long as the affordable borrowing limit set by the Mayor is not exceeded, the GLA and LLDC are able to borrow from the Public Works Loan Board, raise debt on the capital markets through both the GLA’s established Bond and Commercial Paper programmes, borrow from Commercial Banks, other public bodies or utilise overdraft facilities and, subject to meeting the relevant criteria, borrow at competitive interest rates from the European Investment Bank. The GLA may also lend to its subsidiaries. There is therefore no significant risk that any Group body will be unable to raise finance to meet its planned capital commitments.

The maturity analysis of financial liabilities is as follows:

Borrowing and Interest Payable	Authority	Group	Authority	Group
	31 March 2025	31 March 2025	31 March 2024	31 March 2024
	£000	£000	£000	£000
Less than one year	(534,188)	(418,194)	(465,340)	(439,663)
Between one and two years	(352,005)	(352,338)	(341,221)	(345,665)
Between two and five years	(1,198,814)	(1,215,225)	(1,082,805)	(1,093,795)
Between five and ten years	(3,151,987)	(3,186,016)	(2,326,839)	(2,377,932)
More than ten years	(1,001,913)	(1,001,913)	(2,245,147)	(2,249,030)
Total	(6,238,907)	(6,173,686)	(6,461,352)	(6,506,085)

Creditors and Interest Payable	Authority		Group	
	31 March 2025	31 March 2025	2024	31 March 2024
	£000	£000	£000	£000
Less than one year	(268,126)	(263,496)	(236,496)	(295,817)
Between one and two years	-	(9,776)	(4,394)	(47,080)
Between two and five years	-	-	-	(14,430)
Between five and ten years	-	-	-	42,885
More than ten years	-	-	-	-
Total	(268,126)	(273,272)	(240,890)	(314,442)

Lease Liabilities arising from IFRS 16	Authority		Group	
	31 March 2025	31 March 2025		
	£000	£000		
Less than one year	(2,052)	(3,758)		
Between one and two years	(2,090)	(3,632)		
Between two and five years	(1,943)	(1,774)		
Between five and ten years	(3,976)	(152)		
More than ten years	(14,865)	(30,246)		

Market Risk

The Authority sets Prudential Indicators specifying maximum exposures to variable rate investments, reflecting the fact that the use of fixed rate instruments is the Authority's primary means of managing exposure to interest rate movements. Where interest rates appear to be low, the Authority's Treasury function places great emphasis on matching the maturity profile of borrowings to prudent forecasts of future income to reduce the likelihood of needing to refinance borrowings at potentially unfavourable future rates. The Authority may also arrange borrowings or investments in advance at prior agreed rates as a means of managing short-term interest rate exposures.

Equity Investments

All equity investments present a risk of loss of capital. The Fund Managers moderate this risk through diversification of the investment portfolio. The maximum risk resulting from financial instrument is determined by the fair value of the financial instruments.

At 31 March 2025, if equity values had increased by 20% with all other variables held constant there would have been an increase in the net assets of £36.9 million. If equity values had fallen by 20% there would have been a corresponding decrease in net assets of £36.9 million. A 20% movement in values has been used as a sensitivity indicator, reflecting a reasonable estimate of potential volatility in the valuation for a portfolio of this nature.

The fair value of the fund investments are categorised within level 3 of the fair value hierarchy and are determined in accordance with the International Private Equity and Venture Capital Valuation (IPEV) guidelines (revised December 2018). This incorporates a portfolio review of recent fund-raising rounds, commercial performance, assessment of key risks and financial measures as well as obtaining company and market perspectives from market participants. Changes in these unobservable inputs could significantly impact fair values.

Equity mortgages

At 31 March 2025, if UK house prices had been 1% lower and all other variables were held constant, the house price linked financial assets would decrease in value, excluding the effects of tax, by £0.3 million, with a corresponding reduction in equity.

51. Contingent liabilities and assets

Contingent Liabilities

Construction Works/Damages (GLA) - The Authority may be liable to pay costs to a third party either for construction works or third-party damages dependent on the outcome of current discussions and future events. Due to the inherent uncertainty in estimating the potential liability, it is not possible to disclose or quantify the liability at this stage.

Planning inquiry (GLA) – A judicial review claim has been issued by a third party challenging a planning permission decision made by the Authority. The first hearing dismissed the matter but is now subject to an appeal. It is not possible to provide a timescale on when this matter will conclude.

Employment Tribunals (GLA) – Three employment tribunal claims have been lodged against the Authority. As at 31 March 2025 the outcomes of all three cases are pending. As these are ongoing cases, it would be prejudicial to the Authority to provide an estimate of the potential liabilities. The cases are expected to be settled within the next twelve months.

Sharing of disposal proceeds – LLDC Olympic land

On 29 March 2012 the GLA entered into an agreement with the Department for Culture, Media and Sport (DCMS) to repay net proceeds from the sale of individual plots of land owned by LLDC, that are clearly identified by schedule as within the scope of the agreement. The GLA is

entitled to keep the first £223 million of net proceeds arising from the disposal of plots of land within the scope of the agreement. Net proceeds between £223 million and £1,123 million are to be shared 75 per cent to DCMS and 25 per cent to GLA. If net proceeds were to exceed £1,123 million they would be shared 50 per cent to GLA and 50 per cent to the Treasury.

The receipts from development plots are being generated over the long term. As at October 2023, LLDC estimates the £223 million threshold will not be reached until 2028-29 at the earliest before proceeds will then begin to be shared with DCMS. The most recent estimate also indicates final payments to DCMS from these proceeds will not complete until at least 2042-43.

The amount payable by the GLA will ultimately be determined by the level of total receipts that can be generated through disposals of LLDC land. This means there is no guarantee over the amount that might become payable; and there is no certainty on the date from when these payments will need to be made. Therefore, no provision has been made in these financial statements for this contingent liability.

Sharing of disposal proceeds - Greenwich Peninsula

In 2012, GLAP entered into a legal agreement with the now Ministry of Housing, Communities and Local Government (MHCLG) with regards to sharing the receipts of Greenwich Peninsula land disposals between GLAP, National Lottery and MHCLG. The first 13% of receipts are top-sliced and payable to the National Lottery, specified costs are deducted from the remaining receipts and the resultant net capital receipts are shared 50:50 between GLAP and MHCLG.

Payment is due when receipts are received and given the current economic climate and the period over which receipts will be received it is difficult to estimate with any certainty, the timing and amount of receipts.

ArcelorMittal Orbit Loan (LLDC)

LLDC continues to disclose a contingent liability in relation to a loan of £17.1 million (principal £9.3 million plus unpaid interest), which was used to part fund the construction of the ArcelorMittal Orbit and is repayable to ArcelorMittal Orbit Limited from future profits from the operation of the ArcelorMittal Orbit (after cumulative losses and other allowable costs such as lifecycle and other capital works) as and when they are generated (firstly against interest on the loan then 50% against the principal thereafter). A discounted projected cash flow is used for calculation of the carrying amount. The projected cash flows result in the carrying value of the loan being set at nil.

Contingent Assets

Contingent rent (GLAP)

Lease receivables from a lease with ExCel Exhibition Centre site have been treated as a contingent asset. The Excel lease expires in 2199 and

the annual lease receivable is based on the corresponding annual turnover of the centre, the value of the lease is therefore uncertain. The net present value of the estimated cash flows is considered to be between £4 million and £36 million and £1.8 million was receivable in 2024-25 (£1.2 million in 2023-24).

52. Group Taxation

The previous year's movement on deferred tax is shown in the following table:

	Group			
	1 April 2024	Prior Year Adjustment	Movement in year	31 March 2025
	£000	£000	£000	£000
Deferred tax assets - Pensions				
Pension	(486)	-	486	-
Total	(486)	-	486	-
Deferred tax liabilities				
Investment properties	(14,885)	4,640	(10,131)	(20,376)
Capital losses carried forward	-	-	(242)	(242)
Inventories	(11,481)	-	-	(11,481)
Short term differences	1,384	-	(157)	1,227
Trading losses	5,740	-	-	5,740
Accelerated capital allowances	(1,694)	-	-	(1,694)
Total	(20,936)	4,640	(10,530)	(26,826)
Deferred tax assets				
Investment properties	10,181	(4,640)	10,093	15,634
Property plant and equipment	757	(7)	(122)	628
Capital losses carried forward	2,401	-	38	2,439
Total	13,339	(4,647)	10,009	18,701
Net deferred tax liabilities	(7,597)	(7)	(521)	(8,125)
Net deferred tax liabilities	(8,083)	(7)	(35)	(8,125)

	Group		
	1 April 2023 £000	Movement in year £000	31 March 2024 £000
Deferred tax assets - Pensions			
Pension	511	(997)	(486)
Total	511	(997)	(486)
Deferred tax liabilities			
Investment properties	(21,599)	6,714	(14,885)
Capital losses carried forward	-	-	-
Inventories	(11,481)	-	(11,481)
Short term differences	1,659	(275)	1,384
Trading losses	5,740	-	5,740
Accelerated capital allowances	(1,346)	(348)	(1,694)
Total	(27,027)	6,091	(20,936)
Deferred tax assets			
Investment properties	16,154	(5,973)	10,181
Property plant and equipment	893	(136)	757
Capital losses carried forward	2,401	-	2,401
Total	19,448	(6,109)	13,339
Net deferred tax liabilities	(7,068)	(1,015)	(8,083)

53. Northern Line Extension Income and Expenditure Account

The Northern Line Extension (NLE) Income and Expenditure Account is a memorandum account which summarises the income received, and expenditure incurred in relation to the GLA's contribution towards delivering this project which extended the Northern Line to Battersea Power Station and Nine Elms. This extension opened on 20 September 2021.

The account details the contributions received from the London Boroughs of Lambeth and Wandsworth using sums paid by developers and business ratepayers in the Battersea and Nine Elms statutory designated area, the payments made to Transport for London towards construction costs and the financing costs incurred by the GLA in relation to the amounts borrowed by it, to finance its contribution to the project.

	2024/25	2023/24
	£000	£000
Balance at 1 April	862,287	862,288
INCOME		
Amounts transferred by the London Borough of Lambeth	(178)	-
Amounts transferred by the London Borough of Wandsworth	(37,727)	(50,012)
Interest receivable on contributions received and other gains	(7,345)	(6,799)
Total income	(45,250)	(56,810)
EXPENDITURE		
Amounts repayable to the London Borough of Lambeth	-	36
Transport payments for NLE project	-	7,500
Interest payable on project related borrowing	17,228	19,545
Other expenses including brokerage and bond fees	7,518	17,242
Total Expenditure	24,746	44,323
Transfer to/(from) NLE reserve to meet future financing costs and debt repayment	20,504	12,487
Net deficit for the year	-	-
Deficit carried forward at 31 March	862,287	862,287

The GLA has met its full agreed £1 billion contribution towards the core project which has been funded primarily using long-term borrowing from the European Investment Bank and other sources. A small additional capital contribution of £7.5 million was made towards the project in 2023-24 outside the core funding scheme.

The GLA incurred interest payable on its NLE related borrowing in 2024-25 of £17.2 million. A further £7.5 million of expenditure was incurred by the GLA respect of bond indexation, brokerage costs, fees and associated costs including the loan guarantee provided by HM Treasury and associated administrative costs.

The GLA received £37.7 million in contributions from the London Borough of Wandsworth and £0.2 million in contributions from the London Borough of Lambeth on an accrued basis. These sums were paid as required under the NLE funding agreement signed between both boroughs, the Greater London Authority and Transport for London in January 2014 reflecting a combination of business rates growth and developer contributions in the Battersea and Nine Elms statutory designated area. In addition, £7.3 million of interest was receivable on the balances held in respect of the project.

There was an in-year revenue surplus of £20.5 million. This net sum was transferred to the NLE reserve. This reserve was established in 2021-22 to manage short term surpluses and deficits on the NLE revenue account. It will remain in place until the level of business rates income received in the local statutory designated area arising from the associated retail, office and commercial premises is considered sufficient to meet the interest payable on its NLE debt and associated financing costs on an ongoing basis. Any excess held in the NLE reserve at that point will be released to repay the GLA's residual borrowing.

54. Post balance sheet event

On 1 January 2026, the Oxford Street Development Corporation (OSDC), a new functional body of the GLA, was established with the aim of transforming Oxford Street into a world-leading, pedestrian-friendly and sustainable retail/leisure district. The OSDC will work alongside government, businesses, local councils and Londoners to develop and deliver the Mayor's vision for Oxford Street. This has been assessed as a non-adjusting post balance sheet event as it relates to conditions that arose after the 31 March 2025 reporting date.

OSDC's revenue expenditure is forecast to be wholly funded by business rates and GLA grant. The forecast funding for 2025-26 is £9.0 million in GLA grant. Business rates funding in subsequent years is forecast to be - £18.0 million in 2026-27 and £18.4 million in 2027-28. OSDC's capital expenditure is budgeted to be funded by revenue contributions of £2.7 million in 2025-26 and by external borrowing of £27.1 million in 2026-27 and £30.9 million in 2027-28.

Fund Account

	2024/25 £000	2023/24 £000
Income		
Fire Grants ⁽¹⁾		
Fire specific revenue grants	(7,770)	(8,003)
Fire capital grant	-	-
Subtotal Fire Grants	(7,770)	(8,003)
Policing Grants		
Home Office police general grants ⁽²⁾	(2,387,705)	(2,164,662)
Local Council Tax Support grant for policing ⁽²⁾	(119,676)	(119,676)
Home Office other specific grants ⁽³⁾	(602,107)	(696,187)
Subtotal Policing Grants	(3,109,488)	(2,980,525)
Transport (TfL) grants ⁽⁴⁾		
GLA Transport grant (extraordinary support) ⁽⁵⁾	(99,618)	(936,931)
Other specific grants ⁽⁶⁾	(161,083)	(91,482)
Subtotal Transport Grants	(260,702)	(1,028,413)
OPDC grants		
Specific grants ⁽⁷⁾	(25,000)	(53,000)
Subtotal OPDC Grants	(25,000)	(53,000)
Total Income	(3,402,960)	(4,069,942)
Expenditure		
London Fire Commissioner	7,770	8,003
Mayor's Office for Policing and Crime	3,109,488	2,980,525
Transport for London	260,702	1,028,413
Old Oak and Park Royal Development Corporation	25,000	53,000
Total Expenditure	3,402,960	4,069,942

The Fund Account is a memorandum account to show transactions under sections 102 and 103 of the Greater London Authority Act 1999 which requires all government grants for the Greater London Authority and its Functional Bodies to be paid to the Greater London Authority, which then

passes them on to the Functional Bodies. This includes funding business rates retention pilot – retained business rates and council tax as well as specific grants paid for the purposes of the GLA which are directly controlled and allocated by the Mayor and form part of the CIES.

(1) The fire revenue specific grant figure of £7.8 million total includes various Home Office grants such as PFI grant.

Fire formula grant has been paid via the business rates retention system and revenue support grant since 2013-14 and is therefore shown in the GLA's CIES. LFC's council tax precept payments are also recorded in the GLA's CIES.

(2) The core Home Office police grant in 2024-25 comprises £185.3 million in respect of the National and International Capital Cities (NICC) grant, £1,171.0 million in general police core grant (net of the NICC) and £925.6m in former DCLG formula funding approved by Parliament in the 2024-25 Police grant report

Local council tax support funding for the Mayor's Office for Policing and Crime was also approved via the Police Grant Report. MOPAC also receives additional funding approved by the Mayor which is paid to it by the GLA through retained business rates and payments from the Mayor's council tax precept which are both recorded in the GLA's CIES.

(3) The policing revenue specific grant figure includes counter-terrorism and protective security grant funding as well as other specific grants for policing paid via GLA by the Home Office such as police pension grant, police surge grant and support for additional costs arising from the Covid pandemic.

Some specific grants are paid directly to MOPAC (e.g. community safety project and Ministry of Justice funding) and are therefore only recorded in its accounts.

(4) Some transport revenue specific grants are paid direct to TfL and therefore only appear in its accounts. Funding paid to TfL via retained business rates and council tax by the Mayor is reported in the GLA's CIES.

(5) Due to the adverse impact of the Covid pandemic on TfL fare revenues the Department for Transport agreed an extraordinary funding and financing agreements with TfL during 2022-23 and 2023-24 involving the provision of additional grant support to TfL.

Further details are available at <https://tfl.gov.uk/info-for/investors/announcements> and <https://tfl.gov.uk/info-for/investors/funding-letters>. TfL's own statutory accounts will set out how this funding has been apportioned between capital and revenue.

The funding provided as set out above comprised a fixed and a variable element (a so called 'revenue true up') linked to actual fare revenues received and is payable as transport grant under s101 of the GLA Act.

The funding provided as set out above of £936.9m for 2023-24 comprised a fixed and a variable element (a so called 'revenue true up') linked to actual fare revenues received.

The 2024-25 figure of £99.6m includes residual true up/related funding from the DfT.

The sums reported in the GLA's fund account above will differ from those reported in TfL's statutory accounts as the latter adjusted to take into accounts sums that have been repaid to the DfT as part of the 'True up' process as well as accruals for amounts not yet received/paid.

(6) The TfL other specific grant figure for 2024-25 and 2023-24 includes Housing infrastructure funding (HIF) from MHCLG for the DLR and London Overground (former East London Line), Smart Ticketing/ITSO grant from the Department for Transport (DfT) and levelling up funding from MHCLG for the Colindale and Leyton tube station upgrade projects. In 2024-25 an award of DfT grant for Elizabeth line train rolling stock is also included.

(7) OPDC received £25 million in 2024-25 from MHCLG to support land acquisition at Old Oak West. In 2023-24 it received £50m from the government's Brownfield Infrastructure and Land Fund for similar purposes.

The Crossrail Revenue Account reflects the application of the GLA's retained revenues for Crossrail and its contributions towards the Crossrail project. It also incorporates the statutory BRS Revenue Account which is required under Schedule 1 of the Business Rate Supplements (Accounting) (England) Regulations 2010.

The account details the income raised from the levy imposed on non-domestic ratepayers (the Crossrail Business Rate Supplement or BRS) and on developers through a Mayoral Community Infrastructure Levy (MCIL) to raise money to fund the construction of the Crossrail project (now called the Elizabeth line) and expenditure incurred in relation to this project by the GLA.

Crossrail Revenue Account (incorporating the Statutory Business Rate Supplement Revenue Account)

	2024-25 £000	2023-24 £000
Balance at 1 April	-	-
INCOME		
Amounts transferable by billing authorities as calculated under the BRS regulations gross of billing authority administrative expenses	(250,020)	(242,205)
Amounts transferable by collecting authorities in MCIL gross of collection allowances	(121,543)	(174,734)
Interest Receivable (in respect of the Crossrail related balances)	(5,925)	(5,258)
Total income	(377,488)	(422,197)
EXPENDITURE		
Administrative expenses incurred by billing authorities in respect of the collection and enforcement of a BRS		
Further administrative expenses (billing authority cost of collection allowance)	435	435
Other billing authority collection costs and prior year adjustments	921	686
Sub total BRS billing authority expenses	1,356	1,121
Allowable expenses incurred in respect of the collection and enforcement of MCIL retained by GLA		
Collecting authority allowances	5,267	6,563
Charging authority allowances	403	600
MCIL other adjustments including repayments and provisions	(3,534)	4,251
Sub total MCIL collection expenses	2,136	11,414
Expenditure incurred by GLA in respect of the Crossrail Project		
Transport payments to Transport for London in respect of the Crossrail (Elizabeth line) project	35,000	-
Interest Payable on Crossrail related borrowing	125,174	132,136
Other expenses including brokerage fees	1,705	1,452
Sub total GLA expenditure on Crossrail project	161,879	133,588
Total Expenditure	165,371	146,123
Drawdown from GLA capital programme reserve to fund Crossrail payments to TfL	(35,000)	-
Transfers to/(from) General fund - Surplus/(Deficit) on Crossrail (BRS/MCIL) revenue account and Minimum revenue provision	247,117	276,074
Balance at 31 March	-	-

The GLA contributed an additional £2.25 billion towards the Crossrail project between 2018-19 and 2022-23 under the supplementary funding deals agreed between the GLA, TfL and Department for Transport (DfT) in December 2018 (£1.4 billion) and November 2020 (£825 million). This has been funded by £2.15 billion of borrowing from the DfT and the application of £0.1 billion of revenues received in prior years. This is in addition to the £4.3 billion contribution made between 2010-11 and 2015-16 under the original Crossrail funding agreement.

The Mayor also agreed to contribute up to a further £48.8 million towards the project - if required. £35 million of this was drawn down in 2024-25 and the balance of £13.3 million is now expected to be drawn down in 2025-26. While the final outturn cost of the project is still to be determined it is not anticipated based on current forecasts that these additional contributions will be material and will be managed within existing revenue streams allocated to the project.

The GLA's outstanding Crossrail borrowing will be financed and repaid using MCIL and Crossrail business rate supplement revenue with a current expected full repayment in the early 2040s.

Prior to 2019-20, MCIL revenues were retained by TfL as a direct contribution to the Crossrail project – albeit this was reported as nominal capital grant from, GLA to TfL in its statutory accounts. From 2019-20 the GLA was permitted under regulations approved by Parliament (The Community Infrastructure Levy (Amendment) (England) Regulations 2019 – 2019 966) to apply MCIL for capital financing purposes for Crossrail. A further amendment was made to the regulations in March 2021 (The Community Infrastructure Levy (Amendment) (England) Regulations 2021) to allow the GLA to use MCIL revenues to finance and repay its Crossrail related debt up to 31 March 2043.

£119.4 million net MCIL income receivable in 2024-25 was available to be applied towards Crossrail after netting off collection costs, a provision for non-collection and allowable expenses totalling £1.7 million. Further information on the BRS is set out in the next note.

The GLA incurred interest payable on its borrowing of £125.2 million and £5.9 million of interest was receivable on the balances held in respect of the BRS and MCIL. Further sums were charged to the Crossrail revenue account in respect of other costs incurred by the GLA in respect of the management and administration of the BRS and MCIL and the GLA's associated borrowing including brokerage fees.

55. Crossrail Business Rates Supplement

The BRS was applied at a rate of 2p (or 2 per cent of the rateable value) on non-domestic rating assessments on the local rating list in London with a rateable value above £70,000 in 2022-23. This threshold was increased to £75,000 following the national business rates revaluation from 1 April 2023 but the 2p rate was unchanged. The BRS is collected on behalf of the GLA by the 33 London billing authorities (the 32 London boroughs and the Common Council of the City of London) on the same bills as general business rates (NNDR). Reliefs for the BRS (e.g., for charitable organisations) operate on the same basis and the same percentage rate as for National Non-Domestic Rates.

Based on the final returns received in respect of 2024-25 billing authorities determined that they had collected gross revenue through BRS of £250.7 million of which the GLA was due to receive £249.4 million after allowing for borough collection allowances and other collection related costs.

Glossary

This glossary helps to define some of the terms and phrases found in these accounts.

Accounting Period

The length of time covered by the accounts - the accounting year runs from 1 April to 31 March.

Accrual

A sum included in the accounts to cover income or expenditure attributable to the accounting period for goods or services, but for which payment has not been received/made, by the end of that accounting period.

Actuarial Gains and Losses

Changes in the estimated value of the pension fund because events have not coincided with the actuarial assumptions made or the assumptions themselves have changed.

Balances

These represent the accumulated surplus of revenue income over expenditure.

Capital Expenditure

Expenditure on the acquisition of fixed assets that will be of use or benefit to the Authority in providing its services for more than one year.

Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is the main professional body for accountants working in the public service.

Collection Fund

A fund administered by each London Borough Council and the City of London Corporation as billing authorities. Council Tax and Non-Domestic Rates are paid into this fund and the net requirements of the Authority and its Functional Bodies as well as the Borough/Corporation are met from the fund. Any surplus or deficit is shared between the various authorities for council tax and additionally central government in respect of retained business rates. The Crossrail Business Rate Supplement is also paid into the collection fund and transferred to the GLA as the responsible levying body from it.

Council tax Requirement

The consolidated amount the Authority estimates will be received through the council tax precept. This is the budget requirement net of all government specific and general grants. The GLA, Assembly and each functional body has a component council tax requirement which is approved in the Mayor's annual budget.

Creditors

The amounts owed by the Authority at the Balance Sheet date in respect of goods and services received before the end of the accounting period but not paid for.

Debtors

Amounts owed to the Authority but unpaid at the Balance Sheet date.

Depreciation

The measure of the cost or revalued amount of the benefit of the fixed asset that has been consumed during the period.

Fees and Charges

The income raised by charging for goods, services or the use of facilities.

Financial Instrument

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 trade receivables and trade payables, investments and borrowings.

Fixed Asset

A tangible item that yields benefit to the Authority for a period of more than one year.

Functional Body

A term used to describe those bodies, other than the Greater London Authority, for which the Mayor of London sets the budget and appoints members to run those bodies. The five functional bodies are:

- **London Legacy Development Corporation (“LLDC”)** responsible for development of the Queen Elizabeth Olympic Park;
- **London Fire Commissioner (“LFC”)** responsible for providing an efficient and effective fire brigade and emergency planning service for London;
- **Mayor’s Office for Policing and Crime (“MOPAC”)** is headed by the Mayor or, by his nomination, the appointed statutory Deputy Mayor for Policing and Crime. This means that the Mayor is directly accountable for policing performance in London, except the City of London which has its own police force provided by the Corporation of London;
- **Old Oak and Park Royal Development Corporation (“OPDC”)** responsible for the regeneration of Old Oak Common in West

London; and

- **Transport for London (“TfL”)** responsible for London's buses, London Underground, Docklands Light Railway, Croydon Tramlink, Dial-a-Ride services, London River Services, Woolwich Free Ferry, taxis, private hire cars and maintenance and traffic management of most of the major roads in Greater London.

IAS 19 Employee Benefits

The objective of IAS 19 is to prescribe the accounting and disclosure for employee benefits (that is, all forms of consideration given by an entity in exchange for service rendered by employees). The principle underlying all of the detailed requirements of the Standard is that the cost of providing employee benefits should be recognised in the period in which the benefit is earned by the employee, rather than when it is paid or payable.

Materiality

Information is material if omitting it or misstating it could influence decisions that users make on the basis of financial information about a specific reporting authority.

National Non-Domestic Rates [also known as Business Rates or Uniform Business Rate (UBR)]

A property tax based on notional rental (rateable) values levied on non-domestic hereditaments. The tax is set by central government and collected by Local Authorities.

Precept

The amount the Mayor requires the London Boroughs and Corporation of London to pay from their Collection Funds in respect of council tax in order to meet the costs of services of the GLA and its functional bodies

Prepayment

Where expenditure has been invoiced and charged against the current year's budget but relates to goods and services to be received in the following financial year. This expenditure has to be treated as a prepayment.

Provisions

Amounts set aside to meet costs which are likely or certain to be incurred but are uncertain in value or timing.

Reserves

The accumulated surplus income in excess of expenditure, which can be used to finance future spending and is available to meet unforeseen financial problems. Earmarked Reserves are amounts set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years.

Revenue Expenditure

The day-to-day spending on employment costs, other operating costs (accommodation, supplies and services etc.) net of income for fees and charges etc.

Revenue Support Grant

Central Government financial support towards the general expenditure of local authorities paid on an un-ringfenced basis and without conditions.

Specific Government Grants

Central Government financial support towards particular services which is “ring fenced” or paid for the purposes of a particular functional body (i.e., can only be spent on a specific service area or items).

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