Mayor’s Office For Policing And Crime and Group

Un-audited Statement of Accounts 2024/25

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Introduction

The Police Reform and Social Responsibility Act 2011 established a Police and Crime Commissioner for each police force area across England and Wales. In London, the elected Mayor of London is the equivalent of the Police and Crime Commissioner and is responsible for the totality of policing in the capital (outside of the City of London).

The Mayor delivers the responsibilities given to him via the Act through the Mayor's Office for Policing and Crime (MOPAC), which was established as a Corporation Sole in January 2012. In October 2024 the Mayor appointed a statutory Deputy Mayor for Policing and Crime (DMPC) – Kaya Comer-Schwartz – to lead MOPAC, replacing Sophie Linden in the role of DMPC. A separate body of the Commissioner of Police of the Metropolis (CPM) remains, Sir Mark Rowley was the Commissioner during 2024/25.

The Mayor has several key roles in his capacity of Police and Crime Commissioner - most importantly setting the strategic direction and accountability for policing. The Mayor is responsible for the formal oversight of the Metropolitan Police Service (MPS), including budget-setting, performance scrutiny and strategic policy development, and for ensuring the MPS is run efficiently and effectively, so that Londoners are getting the best service possible from their police. Operational decision-making on day-to-day policing remains the responsibility of the Commissioner.

On 2 May 2024, Sadiq Khan was re-elected for a third term as Mayor and therefore as the occupant of the Mayor's Office for Policing and Crime for the metropolitan police district. Following the Mayor's re-election the Police and Crime Plan 2025-29 was published on 28 March 2025. This sets out the Mayor's plans to discharge his responsibilities through MOPAC and his commitments to Londoners during his third term in office.

These Accounts reflect the administration's priorities to meet the objectives within MOPAC's published Police and Crime Plan for 2022-2025 which was published in March 2022.

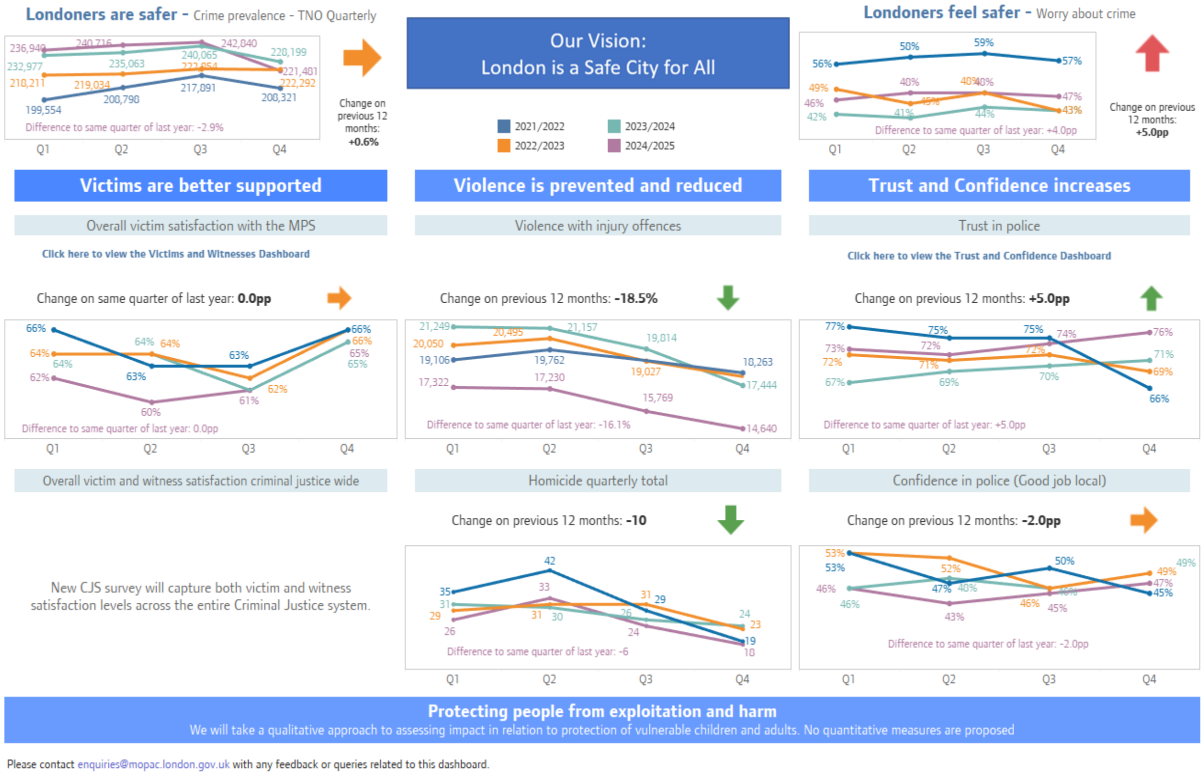
The four priorities of the Plan are: Reducing and preventing violence; Increasing trust and confidence; Better supporting victims; and Protecting people from being exploited or harmed.

All the financial transactions incurred during 2024/25 for policing London have been recognised and recorded within this Statement of Accounts, which sets out the overall financial position of MOPAC and the MOPAC Group for the year ending 31 March 2025. The term 'Group' refers to the consolidated accounts of the MOPAC and CPM. Where the Group's position differs from MOPAC's position this is made clear in the statements and notes. Separate statutory accounts are prepared for the CPM.

This narrative report provides an overview of the accounting arrangements and outlines the financial and operational performance of MOPAC and the MOPAC Group during 2024/25.

Delivering the priorities during 2024/25

MOPAC oversees the delivery of the Mayor's Police and Crime Plan by tracking a core set of measures of policing and crime activity. These measures reflect the Mayor's priorities and the activity and input of all criminal justice partners. The graphs below show how MOPAC delivered against each of the key objectives of the Police and Crime Plan during 2024/25.



Other key activities in 2024/25 included:

2024/25 was the final year of delivery for the Mayor's Police and Crime Plan 2022-25. Comparing the baseline period of financial year 2021/22 with the period January-December 2024, violence with injury fell by 11.1%, domestic homicide by 28%, non-domestic homicide by 8%, teen homicide by 43.5%, lethal barrel discharges by 25% and the number of people under 25 admitted to hospital due to assault with a sharp object by 13.4%.

In March 2025, following consultation with more than 4,000 Londoners, partner organisations and community groups, the Mayor published his Police and Crime Plan for London 2025/29. The key aims of the Plan are:

- Reducing violence and criminal exploitation
- Building safer, more confident communities
- Supporting and overseeing reform of the MPS; and
- Improving the criminal justice system and supporting victims.

To deliver these priorities, the Mayor has continued to back the MPS with record investment from City Hall – announcing in February 2025 an allocation of £1.159bn for the year 2025-2026 alone. City Hall funding now makes up 25% of the MPS budget, compared to 19% in 2016.

This is directly funding 1,300 officer posts and has helped deliver stronger neighbourhood policing. Every London borough now has its own Neighbourhood Superintendent and every ward a minimum of two Dedicated Ward Officers and one Police Community Support Officer.

Alongside this record support, the Mayor continued to oversee the MPS in delivering less crime, more trust and higher standards, as set out in the Commissioner's New Met for London Plan. Following significant improvements - including around child sexual exploitation, strengthening of vetting, and the revitalisation of neighbourhood policing, HMICFRS moved the MPS out of enhanced monitoring to normal "Scan" arrangements, representing a milestone for the MPS and recognition that a New Met for London was the right plan for reforming the MPS. Trust in the MPS has begun to increase, from 69% in the 12 months to Q4 2023/24 to 72% in the 12 months to Q2 2024/25.

The Mayor's London Policing Board has continued to support the Mayor in overseeing the MPS, meeting throughout 2024/25 to examine a variety of high priority issues for Londoners.

The Mayor launched a new £5.4 million service in 2025 to ensure vulnerable adults in contact with the police have timely access to an independent appropriate adult to support them.

Through MOPAC, the Mayor has invested £15.6 million in a new London Violence and Exploitation Support Service (VESS), which opened its doors in June 2024 to provide holistic support to children and young adults (up to the age of 25) impacted by violence and exploitation in London.

The Mayor continued his relentless focus on reducing and preventing violence against women and girls (VAWG). Since coming to office, he has overseen investment of over £233m from City Hall to tackle VAWG.

New announcements in 2024/25 included a new GPS tagging pilot to manage stalking offenders and protect victims; a further £3m investment to support grassroots organisations supporting victims and survivors of VAWG; and a £6m funding boost for his Domestic Abuse Safe Accommodation (DASA) programme. Since it launched in 2021, DASA has helped more than 23,500 survivors of domestic abuse.

Building on the success of his "Have a Word" campaign, in 2024/25 the Mayor launched a new innovative £1million toolkit, developed by educational experts Tender which uses workshops, drama and interactive sessions in the classroom to engage with young Londoners aged between 9-11 and champion healthy and respectful relationships and attitudes.

The Mayor continued to empower Londoners to challenge hateful views in their communities, better protect those vulnerable to radicalisation and stop the spread of hateful ideologies through his Shared Endeavour Fund. Since the fund was launched in 2020, £3.9million has been invested in 115 projects with more than 170,000 Londoners benefiting from workshops, educational activities and interfaith community programmes.

Claire Waxman, London's Independent Victims' Commissioner, continued to campaign tirelessly for improvements to the criminal justice system on behalf of Londoners. Following the publication of the London Stalking Review in July, Claire has secured legislative changes to be brought forwards within the Crime and Policing Bill 2025 on behalf of stalking victims, to help increase the use of Stalking Protection Orders. Following the review, the Government have also committed to reviewing the current stalking legislation, a piece of work which is ongoing and that the Victim's Commissioner's office is a part of.

In addition, Claire Waxman has been successful in campaigning for court transcripts to be made more accessible for victims, with a pilot being launched on the free provision of sentencing remarks. She has also been successful in seeing a number of other measures brought forwards by the Government that she has long campaigned for. These include raising the legal threshold for requesting victims' counselling notes; removing parental responsibility from child sex offenders; introducing sanctions for perpetrators who refuse to attend their sentencing hearing; and securing an extension to the timeframes within which the Attorney General is able to handle Victims' appeals against unduly lenient sentences. Importantly, Claire Waxman also campaigned successfully on the Victims and Prisoners Act to strengthen the requirements for agencies to comply with the Victims' Code.

The London Violence Reduction Unit

London's Violence Reduction Unit (VRU) leads a partnership approach to tackling violence through prevention and early intervention across London. Since it was set up in 2019, the VRU has funded more than 400,000 interventions, diversionary activities and positive opportunities for children and young people.

That means working to support families affected by violence or at risk of exploitation by establishing a London-wide network of 20,000 parents and carers to help them navigate the criminal justice and education system, and to better support children online. It means intervening to keep children and young people in school where they are safe, feel like they belong and are supported to thrive. The VRU is working to tackle rising suspensions, persistent absenteeism and exclusions through London's Inclusion Charter, a city-wide commitment supported by nearly all London boroughs and 30 national charities. This is having impact with more than 120,000 young people reached through targeted interventions and support in schools and pupil referral units. The VRU has expanded its programme of mentors in pupil referral units which is now in every London borough. Initial data showed that 82 per cent of PRUs report improved attendance and 86 per cent reported reductions in behavioural incidents. Targeted interventions to tackle speech, communication and language needs in primary schools has led to 98 per cent of children narrowing the gap to their peers, and teachers are reporting fewer physical incidents in the playground as children are using words over fists to resolve conflict.

As part of its commitment to tackling violence against women and girls, the VRU has invested in arts and drama-based healthy relationship sessions for 21,000 young people. Data shows that 86 per cent of children reported an increased understanding of healthy friendships and relationships, whilst 84 per cent were able to spot the early warning signs of abuse.

The VRU works to keep young people safe from exploitation and criminal gangs in the crucial after-school period and at weekends by investing in access to youth clubs and hubs. It also funds the life-changing work done by youth workers and mentors working to divert young people away from violence in neighbourhoods, in schools, in police custody suites and in hospitals.
It funds embedded youth workers in 12 hospitals across London. The VRU seeing the impact of this work with data showing more than three-quarters of young people (77 per cent) in hospital following a stabbing or violent incident, reduced their risk of harm after the intervention from a youth worker. Alongside this, the VRU funds youth workers in custody suites in 12 of the busiest police stations in London. More than 10,000 young people have been supported by youth workers. Data also shows that 80 per cent of young people up to 18 arrested for violent offences are prevented from reoffending over the next 12 months following help from a youth worker to turn their lives round and break the cycle of violence. The VRU's award-winning MyEnds programme pioneers a community-led approach in hyper-local neighbourhoods and estates, which has contributed to tackling risk factors associated with violence and exploitation. This includes delivering more than 60,000 targeted interventions and positive opportunities for young people in areas with high levels of violence. The MyEnds programme, which operates in eight neighbourhoods across London, won an MJ award in the 'Better Outcomes' category for its partnership approach to solutions to tackle violence. This approach has seen more than 50,000 young people and community people supported through nearly 40,000 activities and interventions, including after-school support, mentoring, sport and holistic support.

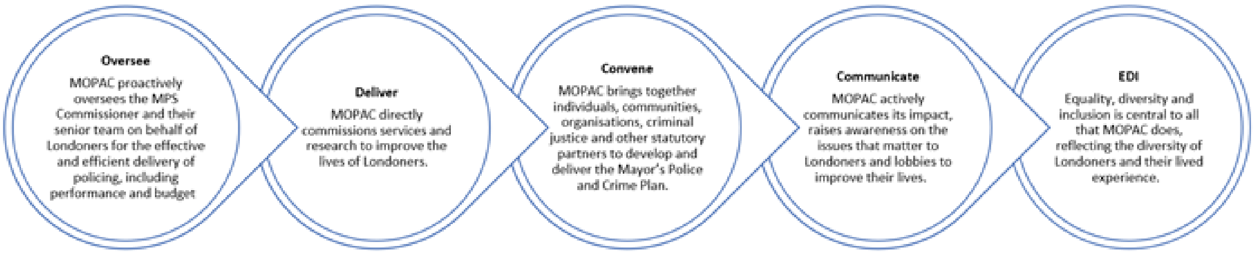
The VRU developed and published London's first-ever Inclusion Charter to tackle rising suspensions and persistent absenteeism. Backed up by research of 4,000 young people and teachers, it formed a Charter of four guiding principles that are underpinned by £1.4m investment in UNICEF's Rights Respecting Schools Award programme. 24 boroughs have already signed up to the Charter and adopting its principles. The Charter is backed up by £10m investment in education to tackle exclusions and develop healthy relationships, an effective PRU mentoring programme across all 32 boroughs and funding to support speech, language and communications skills in 70 schools and an approach to early identify SEND. This approach is supported by a £3.4m fund to deliver positive opportunities and targeted after-school interventions for 17,000 young people.

The VRU has developed and built on its support for youth work in London. Its Rise Up programme has helped 470 youth workers further develop leadership skills, better manage conflict involving young people and support those affected by violence and trauma. It also invests in street-based youth work and in frontline practitioners in custody suites and hospitals. The VRU has expanded the model of youth workers in custody suites by increasing funding so that frontline practitioners are embedded in all 12 of the MPS's BCUs and support young people from 10 through the 25. Since 2020, 5,000 young people aged 10-25 have been supported, with more than 2,000 activities delivered, including mentoring and opportunities in education, training and employment.

The VRU also funds youth workers embedded in Major Trauma Centres and A&Es across the capital, supporting young people at the ‘reachable, teachable moment’. It’s supported more than 1,700 young people since April 2020 with data showing that engagement with youth workers saw reduced in exposure and involvement in violence.

Alongside this, the VRU has established its Parent/Carer Champion Network in almost every London borough, working to provide support, guidance and networks for more than 7,000 parents and carers. It has also developed and established a girls and young women’s programme which includes training teachers and support staff to better identify and intervene in the early stages of vulnerability in school.

How MOPAC delivers its responsibilities



How MOPAC operates

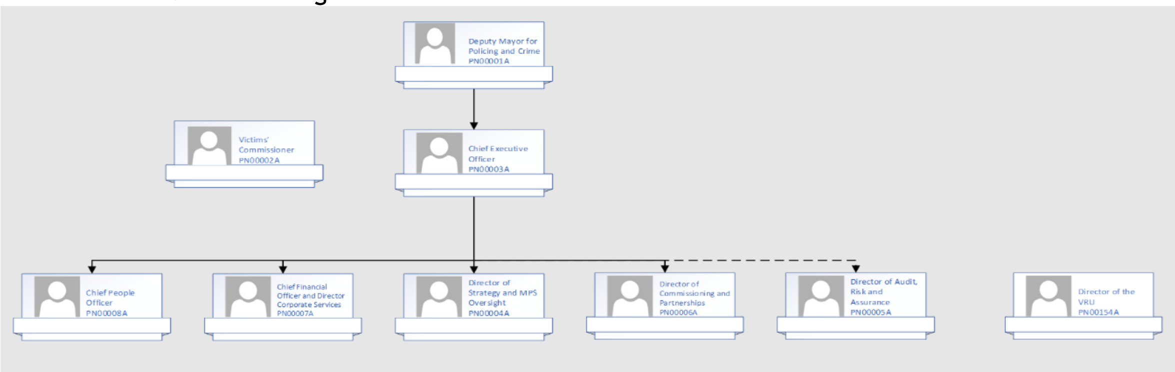
MOPAC has around 300 staff, organised across several directorates. These are:

Directorate	Description
Commissioning and Partnerships	Responsible for commissioning services to prevent crime, reduce reoffending and support victims.
Finance and Corporate Services	Supports the Mayor and DMPC to set and deliver a budget in support of the Police and Crime Plan and oversees and scrutinises how the MPS spends public money.
HR, Private Office and Secretariat	HR provide strategic and advisory support on people matters to MOPAC. The Private Office and Secretariat coordinate and advise on democratic functions, MOPAC's governance framework, including the London Assembly, Police and Crime Committee, supporting the DMPC and Chief Executive.
Strategy and MPS Oversight	Supports the Mayor and DMPC to develop their strategies and oversees and communicates the delivery of their commitments to Londoners. The Directorate is also responsible for managing the London Policing Board. It also hosts the country's largest civilian policing research unit (Evidence and Insight), providing expert data analysis, capture of Londoners perceptions, evaluations and research to inform policy-making and oversight.
Directorate of Audit, Risk and Assurance (DARA)	DARA provides expert internal audit and counter-fraud services to MOPAC and the MPS and to other parts of the GLA Group.

MOPAC also hosts a number of specialist teams, including:

Team	Description
The Violence Reduction Unit (VRU)	Hosted by MOPAC and working across the GLA to prevent violence by identifying and working in partnership to address its root causes.
The Independent Victims' Commissioner for London	Supported by a team hosted within MOPAC, Claire Waxman OBE was appointed by the Mayor to ensure that the voice of victims of crime is heard in everything that they do.

Details of the Senior Management team are set out below



The statement of accounts

Like all public services, policing has continued to operate within a challenging financial environment. In spite of the ongoing financial pressures , investment has continued in projects and programmes to deliver transformation. These include investment in estates and equipment to support a modern police force. No specific capital funding is provided by the Home Office, so this investment is ultimately funded through revenue. Whilst previously MPS have been able to utilise disposal proceeds from the sale of surplus property, the estate has been rationalised to a position that there will be limited disposals in the future. As a result, the majority of capital investment will require long term borrowing.

Before the police officer pension liability, which is subject to a separate year on year funding arrangement agreed with the Home Office, the Balance Sheet shows a positive net worth of £1,515 million, a decrease of £247 million from last year (£1,762 million) reflecting movements in working capital.

More specifically, the consolidated statement of accounts consists of:

- The Comprehensive Income and Expenditure Statement (CIES) for the Group and MOPAC – this summarises the resources generated and consumed in the year. Whilst it shows a deficit on the provision of services of £519 million, after taking accounting adjustments into consideration there is a surplus of £10 million after transfers from earmarked reserves of £73 million;

- The Movement in Reserves Statement (MIRS) for the Group and MOPAC – this shows how the £519 million deficit and other income and expenditure generated in the CIES is spread over the usable and unusable reserves in the Balance Sheet. Usable reserves reduced from £379 million to £316 million during 2024/25 which reflects transfers from earmarked reserves which have been established to manage future budget pressures, operational costs falling in future years and management of on-going change programmes.

- The Balance Sheet for the Group and MOPAC – this sets out the assets, liabilities owed by MOPAC to others, and the usable and unusable reserves which MOPAC maintains. The Balance Sheet shows a negative net worth of £18,823 million. This figure however includes the cost of police officer pensioners' liabilities which are subject to a separate year-on-year funding arrangement agreed with the Home Office. If the police pension liabilities are excluded, the Balance Sheet would show a positive net worth of £1,515 million;

- The Cash Flow Statement for the Group and MOPAC – this shows the in- and out-flows of cash to and from MOPAC. During 2024/25 there was a net cash inflow to MOPAC of £180 million.

In addition to the financial statements the Statement of Accounts include a Statement of Responsibilities for the Accounts and are published alongside MOPAC's Annual Governance Statement for 2024/25.

Financial performance of the Group

Setting the budget

The Deputy Mayor for Policing and Crime recommends an annual budget to the Mayor, following consultation with the Commissioner. The approved budget for 2024/25 for the whole MOPAC Group provided for gross expenditure of £4,797.3 million. Within this amount, £138.9 million was attributable to MOPAC, and included £112.7 million relating to London initiatives such as London Crime Prevention Fund £17.9 million, Violence Against Women and Girls £18.3 million, London Integrated Victim and Witness Service £4.6 million, Violence & Exploitation Service £5.5 million, MyEnds programmes £7.3 million and Criminal Justice programmes £11.6 million. The MOPAC Group net budget, after taking into account income, specific grant before reserve usage, was £3,705.5 million.

Performance against the Revenue Budget

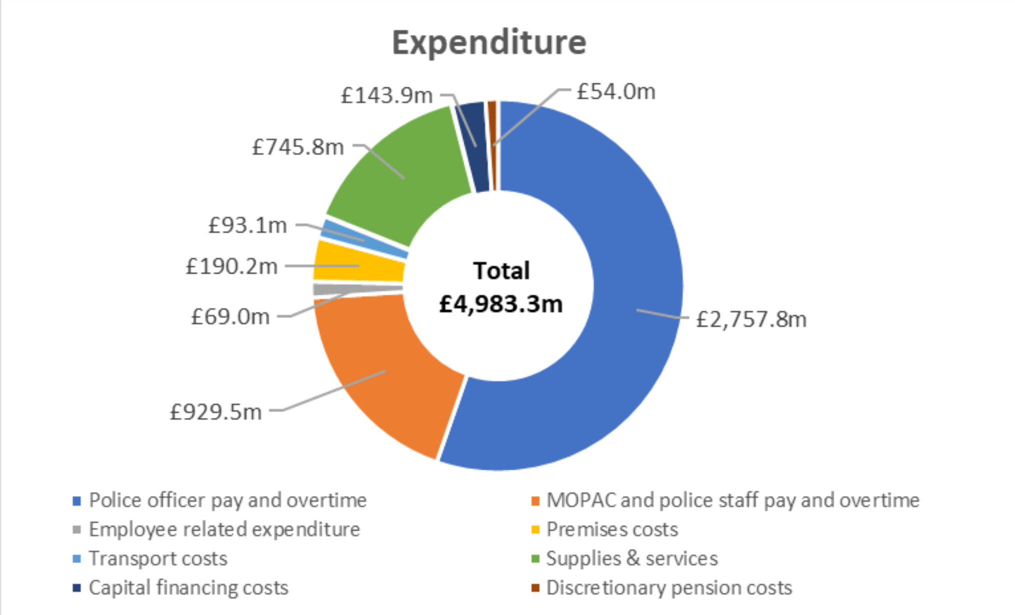
Table 1 provides a summary of the final MOPAC Group outturn position for 2024/25 compared with the revised budget. Figures in brackets in the variance column represent reduced expenditure or increased income against the revised budget.

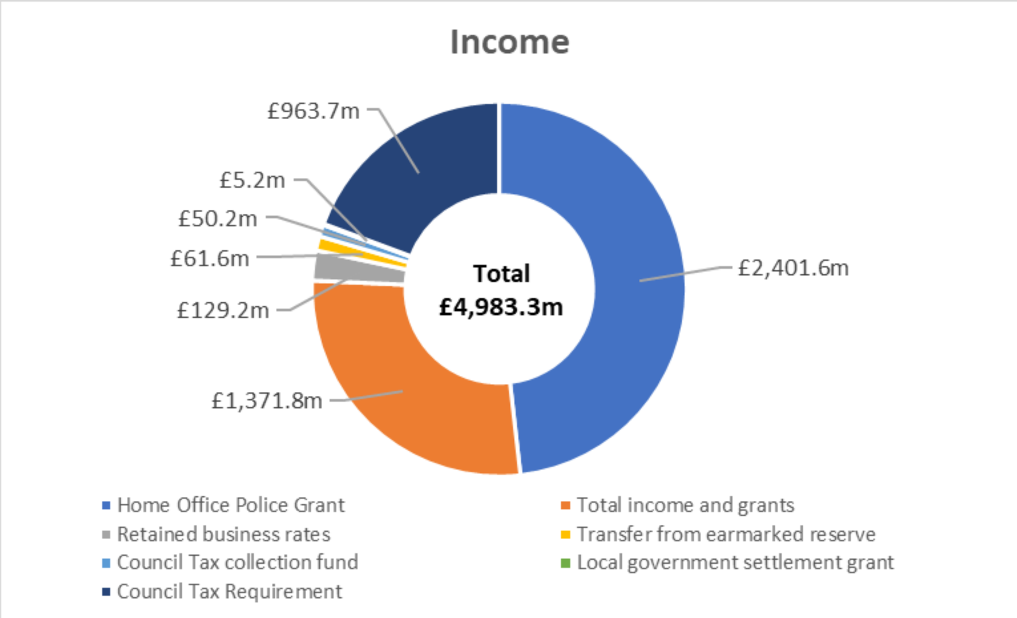
Table 1 MOPAC Group - Final outturn position for 2024/25 compared with 2023/24 and the revised budget

Outturn 2023/24	£million	Approved annual budget 2024/25	Revised annual budget 2024/25	Outturn 2024/25	Variance Overspend / (underspend) 2024/25	Variance % 2024/25
	Pay					
2,594.0	Police officer pay and overtime	2,687.3	2,687.3	2,757.8	70.5	3
834.4	MOPAC and police staff pay and overtime	886.8	886.8	929.5	42.7	5
3,428.4	**Total pay**	**3,574.1**	**3,574.1**	**3,687.3**	**113.2**	3
	Running expenses					
61.3	Employee related expenditure	35.7	35.7	69.0	33.3	93
199.6	Premises costs	197.7	197.7	190.2	(7.5)	(4)
95.4	Transport costs	84.4	84.4	93.1	8.7	10
734.9	Supplies & services	703.2	703.7	745.8	42.1	6
104.4	Capital financing costs	150.4	150.4	143.9	(6.5)	(4)
49.4	Discretionary pension costs	51.8	51.8	54.0	2.2	4
1,245.0	Total running expenses	1,223.2	1,223.7	1,296.0	72.3	6
4,673.4	Total gross expenditure	4,797.3	4,797.8	4,983.3	185.5	4
(1,251.2)	Total income and grants	(1,091.8)	(1,092.3)	(1,371.8)	(279.5)	26
3,422.2	**Net expenditure**	**3,705.5**	**3,705.5**	**3,611.5**	(94.0)	(3)
(144.8)	Transfer to/(from) earmarked reserve	(155.6)	(155.6)	(71.6)	84.0	(54)
12.8	Transfer to/(from) general reserve	0	0	10.0	10.0	0
3,290.2	**Budget requirement**	**3,549.9**	**3,549.9**	**3,549.9**	**(0.0)**	**0**
(3,281.6)	Total Funding	(3,549.9)	(3,549.9)	(3,549.9)	0.0	0
8.6*	**Total MOPAC Group**	**0.0**	**0.0**	**0.0**	**0.0**	**0**

* £8.6m relates to audit adjustments for 2022/23 posted in 2023/24.

The pie charts below illustrate how the 2024/25 revenue outturn was spent by type of spend and by funding streams.





After transfers to reserves, expenditure was in line with budget. MPS finished the year with 33,013 officers, 261 FTEs over the 32,752 FTE target.

The net movement on earmarked and general reserves during 2024/25 is a decrease of £62.7 million as shown in Table 2 below.

Table 2 Net movement on earmarked and general reserves 2024/25

Description	**£ million**
Opening reserves balance 1 April 2024	376.6
Transfers to/(from) reserves	(61.6)
Transfers to/(from) reserves - NPCC/NPOC	(1.1)
Closing reserves balance 31 March 2025	**313.9**

Decreases in earmarked reserves relate mainly to management of change programmes, managing future budget pressures and a range of operational costs falling in future years.

Capital expenditure for 2024/25 was financed in accordance with the prudential code from capital grants, third party contributions, capital receipts and borrowing. Capital expenditure for 2024/25 was £292.0 million. This compares with the revised annual budget of £340.5 million.

Table 3 Capital Outturn position 2024/25

Actual expenditure 2023/24	Summary by programme £million	Revised budget 2024/25	Actual expenditure 2024/25	Variance overspend/ (underspend)
66.3	Property Services	85.6	94.8	9.2
50.0	CTPHQ	36.4	33.6	(2.8)
73.7	DDaT	67.3	60.8	(6.5)
64.2	Strategy & Transformation	104.7	59.1	(45.6)
41.0	Fleet Services	35.0	33.4	(1.6)
7.8	Operations and Performance	11.5	10.3	(1.2)
2.6	Other	0	0.0	0.0
305.6	**Total**	**340.5**	**292.0**	**(48.5)**

Property based programmes - Property Services capital expenditure was £94.8 million reflecting the commitment to deliver an estate that is fit for purpose for a modern police force. The overspend is a result the purchase of Forrest Gate Annex, CTOC Partner funded works which was offset by slippage in CT funded works.

DDaT - Digital Policing spent £60.8 million across replacement of IT equipment (mostly new laptops) and core IT infrastructure which includes networks, hosting, infrastructure maintenance and applications and services upgrades. The underspend is spread across the programme with a major driver the implementation costs for the replacement of mobile devices slipping into 25/26.

Strategy & Transformation programme – Transformations spent £59.1 million in the year, which is £45.6 million below budget. This was a result of underspends across a range of programmes, including 'Command and Control', 'Connect' and Met CC Improvement Programme.

Fleet Services based programme – Investment in transport for 2024/25 was £33.4 million. The underspend was due to lower than anticipated spend on the replacement of 3 Rigid Hull Inflatable Boats.

Capital financing

Capital expenditure of £292.0 million on non-current assets in 2024/25 was financed in accordance with the Prudential Code, from capital grants and other third party contributions of £53.9 million, capital receipts applied of £0.7 million, and revenue contributions of £9.6 million.

As part of the Prudential Framework a Capital Financing Requirement (CFR) is approved by MOPAC each year, which represents MOPAC's underlying need to borrow for capital expenditure. For the purposes of calculating the CFR, the amount required to be borrowed reflects both external and internal borrowing (applying total cash balances).

Under the Framework MOPAC is required to set aside an amount called the Minimum Revenue Position (MRP). For 2024/25 the MRP was £108.0 million. The MRP is the prudent amount that the Group is required to set aside from revenue to meet the repayments of borrowing undertaken to support capital investment.

MOPAC sets an annual treasury management strategy. Risk analysis and risk management strategies have been taken into account, as have plans for capital investment and cash-flow requirements.

MPS Operational Performance

Review of 2024/25 performance

In 2024/25, the MPS have demonstrated that, where they have focused effort and resources over the last two years – such as public protection and serious violence – they have made good progress:

- More Londoners agree that their police service does a good job locally (47.9%) than citizens of other major cities (Greater Manchester Police 44.7%, West Midlands 43.8% and West Yorkshire 45.6%). The England and Wales average is 48.2%. The MPS are just below the national average when it comes to trust in police.

Proportion of Londoners who trust in the police				
Metropolitan / City of London Police 66.9%	**Greater Manchester Police** 67.4%	**West Yorkshire Police** 66.4%	**West Midlands Police** 62.2%	**England & Wales** 70.2%

- The MPS have significantly improved the speed at which they respond to the public. The percentage of 999 calls answered within 10 seconds between 1 January 2024 and 31 December 2024 was 86.2%, compared to 77.6% the previous year. This, along with other improvement drivers, was a significant driver behind the MPS being taken out of special measures by His Majesty's Inspectorate of the Constabulary and Fire Services (HMICFRS).

- Violence Against Women and Girls (VAWG) offending per capita – including rape, other sexual offences and stalking – is below the national average and that of other major cities. .

Violence Against Women and Girls						
	MPS		**Most Similar Forces**		**England and Wales**	
	Offences per 1000 population	*Positive Outcome rate*	*Offences per 1000 population*	*Positive Outcome rate*	*Offences per 1000 population*	*Positive Outcome rate*
Overall VAWG		8.6%	No national comparisons			
Rape	1.0	9.4%	1.6	7.2%	1.2	7.6%
Other sexual offences	2.0	9.3%	2.7	9.7%	2.3	11.5%
Stalking and Harassment	6.2	5.0%	15.4	6.1%	10.6	8.1%

- Levels of serious violence in London continue to decrease, and London is a safe city compared with other major UK cities and many European cities. We are now seeing the lowest London homicide rates in the last seven years, however robbery remains a challenge.

Serious Violence						
	MPS		Most Similar Forces		England and Wales	
	Offences per 1000 capita	*Positive Outcome rate*	*Offences per 1000 capita*	*Positive Outcome rate*	*Offences per 1000 capita*	*Positive Outcome rate*
Homicide (per 100,000)	1.2	74.0%	1.0	86.3%	0.8	81.3%
Robbery (all)	3.9	5.6%	1.8	13.8%	0.8	14.6%
Violence against the person	26.6	7.1%	44.3	9.3%	32.9	12.0%
Violence with injury	7.3	10.2%	10.3	13.6%	8.8	16.8%
Violence without injury	13.0	6.2%	18.6	9.4%	13.5	12.0%

- Although neighbourhood crime overall has reduced by 19% over the last year, tackling volume crime remains a significant challenge due to the scale of the problem

Budget

The MPS budget for 2025/26 is £4.9 billion, of which c£700 million is ringfenced for MPS counter terrorism and protective security responsibilities. This means £4.2 billion is available for the frontline policing of London.

The initial 2025/26 workforce plan sets out that the MPS will start the year with 32,752 officers, 11,151 staff and 1,445 PCSOs. In the event of a positive outcome of the police settlement, the ambition of the Mayor is to limit the impact on the workforce to a reduction of 1,419 FTE.

The Balance Sheet

The net worth of MOPAC and the MOPAC Group (excluding the cost of Police Officer pensions liabilities which are subject to a separate funding arrangement agreed year on year with the Home Office) decreased by £247 million (from £1,762 million to £1,515 million) during 2024/25. MOPAC considers that the Balance Sheet is adequate as evidenced by earmarked reserves and General Reserves, however there is a need to increase the level of general reserve in the future as the additional resilience provided by earmarked reserves cannot be relied on in the longer term. This requirement is set out in the 2024/25 reserves strategy and will be a key part of the framework for developing the 2026/27 budget.

Reserves

MOPAC is required to publish a Reserves Strategy and the 2024/25 reserves strategy states the General Reserves should be maintained at a level of 2-3% of the net revenue budget subject to the sensitivity and risks in the Medium-Term Financial Plan.

The year end balance of £76.6m represents 2.1% of net revenue expenditure which is an improvement on the forecast position of £46.6m. The reserves strategy recognises that the Medium Term Financial Plan will require planned contributions to the General Reserve to ensure the target level is maintained.

MOPAC also hold Earmarked reserves, the balance of which was £237.3 million as at 31 March 2025. Earmarked reserves are being held for specific purposes, including facilitating the transformation programme, managing one-off impacts against the medium-term budget, and statutorily ring-fenced accounts (such as the Proceeds of Crime Act income).

Pensions

The Police Officer Pension Liability and Police Officer Pension Reserve, which are disclosed on the Group Balance Sheet, reflect the cost of paying police officers in the future to the extent they had earned entitlement to pension benefits for periods up to and including 2024/25 in line with IAS 19. Police pension costs are recognised in the Commissioner of Police of the Metropolis CIES in the first instance along with other employee costs but are ultimately funded by MOPAC. Recognition of the total liability has a substantial impact on the net worth of the MOPAC Group. The fund valuation shows a decrease in liabilities due in the main to the change in actuarial assumptions used to calculate the pensions liability. Pension contributions of 31% of pensionable pay are made to finance the liability, with the actual pensions and commuted lump sums being met directly by the Police Pension Fund Revenue Account. The shortfall on the pension fund between contributions and other income receivable and benefits payable was met by the Home Office in 2024/25.

Outlook over the Medium Term Financial Plan

In March 2025 in support of the Police and Crime ambitions and the ambitions of the New Met for London Plan the 2025/26 net revenue budget was set at £3,894.9 million, an increase of £189.4 million from the approved 2024/25 budgeted figure of £3,705.5 million. The budget is funded by a general government grant of £2,632.8 million, retained business rates of £130.7 million and council tax of £1,028.4 million. Additionally, MOPAC planning to draw down £103.0 million from reserves. More detail can be found in MOPAC and MPS Final Budget 2025-26 and Medium Term Financial Plan 2026-27 to 2027-28

The Medium-Term Financial Plan (MTFP) has been constructed on a medium-term basis and there is a need to ensure adequate resilience in future years. The MTFP provides for a balanced budget in 2025/26 however there are risks that will need to be carefully managed during the year through an enhanced control environment.

There is a forecast gap of £150.3m in 2026/27 increasing to £203.6m in 2027/28. Addressing the gap is a priority for MOPAC and MPS and to ensure that there is a sustainable financial plan into the medium term and beyond. These accounts have been published before the detail of the recent governments Spending Review is known. This may have a significant bearing on the medium term financial position of both organisations and the ambition over the next 3 years.

The revenue budget and the capital programme are intrinsically linked and there is an increasing revenue impact that has been a key consideration in developing the budget. Borrowing levels that have been subdued due to high levels of capital receipts in previous years have already started to increase and will do so more into the future without any specific capital funding being made available by the Home Office. Affordability of the capital plans in the context of the challenges on the revenue budget and knock on impact on operational delivery will be a key consideration in future budget setting processes.

The MOPAC five-year capital spending plan, for 2024/25 to 2028/29 totals approximately £1.5 billion, across transformation and other activities such as property lifecycle works, vehicle fleet, Core IT infrastructure and National Counter Terrorism Policing Headquarters. Capital expenditure of £338.4 million is planned for 2025/26. This expenditure will continue to focus on transforming the

MPS estate, IT core infrastructure and transforming investigation and prosecution. As well as improving operational effectiveness, this investment will be required to deliver planned future revenue savings and meet the needs of a larger force given planned increase in officer numbers. Capital expenditure will be financed through a combination of receipts, grants and borrowing.

The Statement of Accounts

The 2024/25 MOPAC Group Statement of Accounts is prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting 2024/25.

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

- The Police Reform and Social Responsibility Act 2011 (the Act);
- The Home Office Financial Management Code of Practice for the Police Forces of England and Wales 2018;
- MOPAC Scheme of Consent and Delegation;
- MOPAC Financial Regulations;
- MOPAC Contract Regulations.

Under the legislative framework and local arrangements, MOPAC is responsible for the finances of the whole Group and controls the assets, liabilities and reserves. MOPAC has responsibility for entering into contracts and establishing the contractual framework under which the Commissioner's officers and staff operate. MOPAC receives all income and funding and makes all the payments for the Group from the MOPAC Police Fund.

In turn the Commissioner fulfils their statutory responsibilities for delivering an efficient and effective police force within an annual budget, which is set by the Mayor in consultation with the Commissioner. The Commissioner ultimately has a statutory responsibility for maintaining the King's peace and to do this has direction and control over their police officers and police staff. It is recognised that in exercising day-to-day direction and control the Commissioner will undertake activities, incur expenditure and generate income to allow the police service to operate effectively.

It is appropriate that a distinction is made between the financial impact of this day-to-day direction and control of the force and the overarching strategic control exercised by the DMPC. Therefore the expenditure in respect of operational policing, police officer and staff costs is shown in the CPM Accounts, with the main sources of funding (i.e. central government grants and Council Tax) and the vast majority of balances being recognised in the MOPAC Accounts. The MOPAC Group Accounts shows the overall cost of policing London and includes both the cost of administering MOPAC and MOPAC expenditure on community safety and crime prevention and the Commissioner's expenditure on operational policing.

The accounting arrangements between MOPAC and the CPM are detailed more fully in Note 6 to the Accounts on page 25.

Accounting Changes for 2024/25

The only change in the CIPFA Code 2024/25 that materially affected the Statement of Accounts was the adoption of IFRS16 Leases. The adoption of IFRS16 meant that a number of leases which were previously treated as operating leases were reclassified as finance leases, with the recognition of a right-of-use asset and corresponding liability on the balance sheet. In addition, operating lease expenses relating to leases reclassified under IFRS16 were reapportioned into lease liability repayments (matched by an equivalent increase in Minimum Revenue Provision) and finance charges. Adoption of IFRS16 also resulted in the remeasurement of the liability in the accounts relating to the Group's two PFI contracts. This increased the finance charge and the Minimum Revenue Provision for the PFI schemes in 2024/25.

Annual Governance Statement

The Accounts and Audit Regulations 2015 require that the Annual Governance Statement (AGS) accompanies the Statement of Accounts. MOPAC has elected to publish the AGS as a separate document to the Statement of Accounts. The AGS is a statutory document which explains the governance processes and procedures in place to enable MOPAC to carry out its functions effectively. The AGS highlights MOPAC's and the CPM's internal control environment, comments on its effectiveness and identifies issues for future work. The CPM also publishes an Annual Governance Statement focusing on the risk management and internal control framework in the MPS. Reliance is placed on this in drawing up MOPAC's Annual Governance Statement.

Independent auditor’s report to the Mayor’s Office for Policing and Crime

To be completed in September after 2025 audit

Statement of responsibilities for the Accounts

Deputy Mayor's Responsibilities

The Deputy Mayor For Policing And Crime is required to:

- Make arrangements for the proper administration of the Mayor's Office for Policing And Crime's financial affairs and to secure that one of its officers (Chief Financial Officer) has responsibility for the administration of those affairs;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- Approve the Statement of Accounts.

Chief Financial Officer's Responsibilities

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

In preparing this Statement of Accounts, MOPAC has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code;
- Kept proper accounting records which were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Statement of Accounts gives a true and fair view of the financial position of MOPAC and MOPAC Group at the accounting date and of the income and expenditure for the year ended 31 March 2025.

Signed
Amana Humayun
Director of Corporate Services and Chief Financial Officer

Dated: 2 July 2025

MOPAC Group Comprehensive Income and Expenditure Statement (CIES) for 2024/25

£000	Notes	Year ending 31 March 2025 Gross expenditure	Year ending 31 March 2025 Income	Year ending 31 March 2025 Net expenditure	Year ending 31 March 2024 Gross Expenditure	Year ending 31 March 2024 Income	Year ending 31 March 2024 Net Expenditure
Frontline Policing		1,438,684	(62,312)	**1,376,372**	1,487,568	(69,862)	**1,417,706**
Specialist Operations		574,400	(651,630)	**(77,230)**	586,453	(624,107)	**(37,654)**
Operations and Performance		1,032,580	(225,351)	**807,229**	1,095,527	(237,042)	**858,485**
People and Resources		499,237	(84,943)	**414,294**	406,962	(61,222)	**345,740**
Professionalism		127,517	(19,353)	**108,164**	113,430	(18,047)	**95,383**
Digital, Data and Technology		277,985	(14,529)	**263,456**	234,945	(16,048)	**218,897**
Strategy and Transformation		74,776	(693)	**74,083**	105,610	0	**105,610**
Comms and Engagement		25,649	(8,348)	**17,301**	24,136	(8,164)	**15,972**
Centrally Held		188,658	(312,599)	**(123,941)**	152,826	(183,005)	**(30,179)**
MOPAC		130,074	(43,989)	**86,085**	130,425	(49,021)	**81,404**
Cost of services	1.1	**4,369,560**	**(1,423,747)**	**2,945,813**	4,337,882	(1,266,518)	3,071,364
Other operating expenditure							
Net gains on disposal of non-current assets	13.1			**9,029**			**10,678**
Financing and investment							
Interest payable and similar charges	11			**26,249**			**26,467**
Interest on Police Officer Pension Defined Benefit Liability	6.2 12.1			**1,159,100**			**1,144,400**
Interest and investment income				**(16,796)**			**(23,701)**
Investment properties revaluation	16			**(140)**			**(80)**
Grants							
Non Specific Grants	14			**(3,549,911)**			**(3,281,557)**
Capital grants	14.1			**(53,904)**			**(61,203)**
Deficit on provision of services				**519,440**			**886,368**
Other comprehensive income and expenditure							
(Surplus) or deficit on revaluation of non current assets				**93,124**			**(55,414)**
(Surplus) or deficit from investments in equity instruments designated at fair value through other comprehensive income				**967**			**(2,415)**
Re-measurements of the defined benefit liability	6.2 12.1			**(4,226,100)**			**(751,100)**
Other comprehensive income and expenditure				**(4,132,009)**			**(808,929)**
Total comprehensive income and expenditure				**(3,612,569)**			**77,439**

The statement above shows the accounting cost for the period 1 April 2024 to 31 March 2025 (with prior year as a comparative year) of providing services for the Group, in accordance with generally accepted accounting practices, in addition to the amount of funding by way of grant income.

MOPAC Comprehensive Income and Expenditure Statement (CIES) for 2024/25

£000	Notes	Year ending 31 March 2025 Gross expenditure	Year ending 31 March 2025 Income	Year ending 31 March 2025 Net expenditure	Year ending 31 March 2024 Gross Expenditure	Year ending 31 March 2024 Income	Year ending 31 March 2024 Net Expenditure
Intra-group funding -policing		4,204,475	(1,379,758)	**2,824,717**	4,150,952	(1,217,497)	2,933,455
MOPAC - Other		130,074	(43,989)	**86,085**	130,425	(49,021)	81,404
Revaluation loss not charged to CPM		35,011	0	**35,011**	56,505	0	56,505
Cost of services	1.2	**4,369,560**	**(1,423,747)**	**2,945,813**	**4,337,882**	**(1,266,518)**	**3,071,364**
Other operating expenditure							
Net gains on disposal of non-current assets	13.1			**9,029**			**10,678**
Interest on Police Officer Pension Defined Benefit Liability - intra-group funding	6.2, 12.1			**1,159,100**			**1,144,400**
Re-measurements of the defined benefit liability - intra-group funding	6.2, 12.1			**(4,226,100)**			**(751,100)**
Financing and investment							
Interest payable and similar charges	11			**26,249**			**26,467**
Interest and investment income				**(16,796)**			**(23,701)**
Investment properties revaluation	16			**(140)**			**(80)**
Grants							
Non Specific Grants	14			**(3,549,911)**			**(3,281,557)**
Capital grants	14.1			**(53,904)**			**(61,203)**
Surplus on provision of services	7.6			**(3,706,660)**			**135,268**
Other income and expenditure							
(Surplus) or deficit on revaluation of non current assets				**93,124**			**(55,414)**
Instruments designated at fair value through other comprehensive income				**967**			**(2,415)**
Total comprehensive income and expenditure				**(3,612,569)**			**77,439**

The statement above shows the accounting cost for the period 1 April 2024 to 31 March 2025 (with prior year as a comparative year) of providing services in accordance with generally accepted accounting practices for MOPAC, in addition to the amount of funding by way of grant income. The consolidated accounting cost and funding for the MOPAC Group to 31 March 2024 is shown on the page before.

MOPAC Group Movement in Reserves Statement (MIRS) for the year ended 31 March 2025

£000	General Reserves Balance	Earmarked revenue reserves	Total General and Earmarked reserves	Capital receipts reserve	Other useable capital reserves	Total usable reserves	Unusable reserves	Total group reserves
At 31 March 2024	**(66,630)**	**(309,974)**	**(376,604)**	**0**	**(2,204)**	**(378,808)**	**22,814,553**	**22,435,745**
Movement in reserves during 2024/25								
Total comprehensive income and expenditure	**519,440**	**0**	**519,440**	**0**	**0**	**519,440**	(4,132,009)	**(3,612,569)**
Adjustments between accounting basis & funding basis under regulations (note 27)	(456,767)	0	**(456,767)**	0	0	(456,767)	456,767	**0**
Net (increase) / decrease before transfers to earmarked reserves	**62,673**	**0**	**62,673**	**0**	**0**	**62,673**	**(3,675,242)**	**(3,612,569)**
Transfers (to) / from earmarked reserves (note 26.3)	(72,673)	72,673	0	0	0	**0**	0	**0**
(Increase) / decrease in year	**(10,000)**	**72,673**	**62,673**	**0**	**0**	**62,673**	**(3,675,242)**	**(3,612,569)**
Balance at 31 March 2025	**(76,630)**	**(237,301)**	**(313,931)**	**0**	**(2,204)**	**(316,135)**	**19,139,311**	**18,823,176**

This statement shows the movement in the year to 31 March 2025 on the different reserves held by the Group, analysed into usable reserves and unusable reserves. MOPAC is required to show the movement of resources on a statutory basis within the financial statements and adjustments are made to convert from an accounting basis to a statutory funding basis (note 27). The 'Net (Increase)/Decrease Before Transfers to Earmarked Reserves' line shows the statutory General Reserves Balance after the adjustments (above), before any discretionary transfers to or from Earmarked Reserves are undertaken by the Group.

There are no adjustments between the authority and group accounts

MOPAC Movement in Reserves Statement (MIRS) for the year ended 31 March 2025

£000	General Reserves Balance	Earmarked revenue reserves	Total General and Earmarked reserves	Capital receipts reserve	Other useable capital reserves	Total usable reserves	Unusable reserves	Total group reserves
At 31 March 2024	**(66,630)**	**(309,974)**	**(376,604)**	**0**	**(2,204)**	**(378,808)**	**22,814,553**	**22,435,745**
Movement in reserves during 2024/25								
Total comprehensive income and expenditure	**(3,706,660)**	**0**	**(3,706,660)**	**0**	**0**	**(3,706,660)**	94,091	**(3,612,569)**
Adjustments between accounting basis & funding basis under regulations (note 27)	3,769,333	0	**3,769,333**	0	0	**3,769,333**	(3,769,333)	**0**
Net (increase) / decrease before transfers to earmarked reserves	**62,673**	**0**	**62,673**	**0**	**0**	**62,673**	**(3,675,242)**	**(3,612,569)**
Transfers (to) / from earmarked reserves (note 26.3)	(72,673)	72,673	0	0	0	**0**	0	**0**
(Increase) / decrease in year	**(10,000)**	**72,673**	**62,673**	**0**	**0**	**62,673**	**(3,675,242)**	**(3,612,569)**
Balance at 31 March 2025	**(76,630)**	**(237,301)**	**(313,931)**	**0**	**(2,204)**	**(316,135)**	**19,139,311**	**18,823,176**

This statement shows the movement in the year to 31 March 2025 on the different reserves held by MOPAC, analysed into usable reserves and unusable reserves. MOPAC is required to show the movement of resources on a statutory basis within the financial statements and adjustments are made to convert from an accounting basis to a statutory funding basis (note 27). The 'Net (Increase)/Decrease Before Transfers to Earmarked Reserves' line shows the statutory General Reserves Balance after the adjustments (above), before any discretionary transfers to or from Earmarked Reserves are undertaken by MOPAC.

MOPAC Group Movement in Reserves Statement (MIRS) for the year ended 31 March 2024

£000	General Reserves Balance	Earmarked revenue reserves	Total General and Earmarked reserves	Capital receipts reserve	Other useable capital reserves	Total usable reserves	Unusable reserves	Total group reserves
At 31 March 2023 restated	**(62,365)**	**(454,034)**	**(516,399)**	**0**	**(2,204)**	**(518,603)**	**22,876,909**	**22,358,306**
Movement in reserves during 2023/24								
Total comprehensive income and expenditure	**886,368**	**0**	**886,368**	**0**	**0**	**886,368**	(808,929)	**77,439**
Adjustments between accounting basis & funding basis under regulations (note 27)	(746,573)	0	**(746,573)**	0	0	**(746,573)**	746,573	**0**
Net (increase) / decrease before transfers to earmarked reserves	**139,795**	**0**	**139,795**	**0**	**0**	**139,795**	**(62,356)**	**77,439**
Transfers (to) / from earmarked reserves (note 26.3)	(144,060)	144,060	0	0	0	**0**	0	**0**
(Increase) / decrease in year	**(4,265)**	**144,060**	**139,795**	**0**	**0**	**139,795**	**(62,356)**	**77,439**
Balance at 31 March 2024	**(66,630)**	**(309,974)**	**(376,604)**	**0**	**(2,204)**	**(378,808)**	**22,814,553**	**22,435,745**

This statement shows the movement in the year to 31 March 2024 on the different reserves held by the Group, analysed into usable reserves and unusable reserves. MOPAC is required to show the movement of resources on a statutory basis within the financial statements and adjustments are made to convert from an accounting basis to a statutory funding basis (note 27). The 'Net (Increase)/Decrease Before Transfers to Earmarked Reserves' line shows the statutory General Reserves Balance after the adjustments (above), before any discretionary transfers to or from Earmarked Reserves are undertaken by the Group.

There are no adjustments between the authority and group accounts

MOPAC Movement in Reserves Statement (MIRS) for the year ended 31 March 2024

£000	General Reserves Balance	Earmarked revenue reserves	Total General and Earmarked reserves	Capital receipts reserve	Other useable capital reserves	Total usable reserves	Unusable reserves	Total group reserves
At 31 March 2023 restated	**(62,365)**	**(454,034)**	**(516,399)**	**0**	**(2,204)**	**(518,603)**	**22,876,909**	**22,358,306**
Movement in reserves during 2023/24								
Total comprehensive income and expenditure	**135,268**	**0**	**135,268**	**0**	**0**	**135,268**	(57,829)	**77,439**
Adjustments between accounting basis & funding basis under regulations (note 27)	4,527	0	**4,527**	0	0	**4,527**	(4,527)	**0**
Net (increase) / decrease before transfers to earmarked reserves	**139,795**	**0**	**139,795**	**0**	**0**	**139,795**	**(62,356)**	**77,439**
Transfers (to) / from earmarked reserves (note 26.3)	(144,060)	144,060	0	0	0	**0**	0	**0**
(Increase) / decrease in year	**(4,265)**	**144,060**	**139,795**	**0**	**0**	**139,795**	**(62,356)**	**77,439**
Balance at 31 March 2024	**(66,630)**	**(309,974)**	**(376,604)**	**0**	**(2,204)**	**(378,808)**	**22,814,553**	**22,435,745**

This statement shows the movement in the year to 31 March 2023 on the different reserves held by MOPAC, analysed into usable reserves and unusable reserves. MOPAC is required to show the movement of resources on a statutory basis within the financial statements and adjustments are made to convert from an accounting basis to a statutory funding basis (note 27). The 'Net (Increase)/Decrease Before Transfers to Earmarked Reserves' line shows the statutory General Reserves Balance after the adjustments (above), before any discretionary transfers to or from Earmarked Reserves are undertaken by MOPAC.

MOPAC Group Balance Sheet

£000	Notes	31 March 2025	31 March 2024
Non current assets			
Property, plant and equipment	16	2,816,117	2,729,012
Heritage assets	16	1,316	1,316
Investment properties	16	2,980	2,840
Intangible assets	16	9	16
Total non current assets		**2,820,422**	**2,733,184**
Long Term Investments		7,247	9,664
Long Term Debtors		0	0
Total long term assets		**2,827,669**	**2,742,848**
Current assets			
Assets held for sale	17	12,551	12,824
Inventories		3,948	3,642
Short term debtors	18	311,330	387,076
Short Term Investments		0	0
Cash & cash equivalents	19	191,713	11,564
Total current assets		**519,542**	**415,106**
Current liabilities			
Short term creditors	20	(728,938)	(699,996)
Short term borrowing	21	(40,813)	(128,855)
Provisions	23.1	(35,179)	(34,069)
Bank overdrafts	19	0	0
Total current liabilities		**(804,930)**	**(862,920)**
Long term liabilities			
Provisions	23.2	(15,350)	(12,857)
Long term borrowing	24	(867,350)	(472,950)
Capital grants receipts in advance		(4,553)	(4,553)
Long term contractor liability	25	(140,204)	(42,219)
Police officer pension liability	12.1	(20,338,000)	(24,198,200)
Total long term liabilities		**(21,365,457)**	**(24,730,779)**
Net assets/(liabilities)		**(18,823,176)**	**(22,435,745)**
Financed by:			
Unusable Reserves	26.1	(19,139,311)	(22,814,553)
Usable reserves	26.2-3	316,135	378,808
Total reserves		**(18,823,176)**	**(22,435,745)**

The Balance Sheet shows the value as at 31 March 2025 (with prior year as a comparative year) of the assets and liabilities recognised by the Group. The net liabilities of the Group (assets less liabilities) are matched by the reserves held by the Group.

MOPAC Balance Sheet

£000	Notes	31 March 2025	31 March 2024
Non current assets			
Property, plant and equipment	16	2,816,117	2,729,012
Heritage assets	16	1,316	1,316
Investment properties	16	2,980	2,840
Intangible assets	16	9	16
Total non current assets		**2,820,422**	**2,733,184**
Long Term Investments		7,247	9,664
Long Term Debtors		0	0
Total long term assets		**2,827,669**	**2,742,848**
Current assets			
Assets held for sale	17	12,551	12,824
Inventories		3,948	3,642
Short term debtors	18	311,330	387,076
Short Term Investments		0	0
Cash & cash equivalents	19	191,713	11,564
Total current assets		**519,542**	**415,106**
Current liabilities			
Short term creditors	20	(500,848)	(475,190)
Short term borrowing	21	(40,813)	(128,855)
Provisions	23.1	(35,179)	(34,069)
Intra-group Creditor	6.2	(228,090)	(224,806)
Bank Overdrafts	19	0	0
Total current liabilities		**(804,930)**	**(862,920)**
Long term liabilities			
Provisions	23.2	(15,350)	(12,857)
Long term borrowing	24	(867,350)	(472,950)
Capital grants receipts in advance		(4,553)	(4,553)
Long term contractor liability	25	(140,204)	(42,219)
Police officer pension liability - Intra-group liability	6.2	(20,338,000)	(24,198,200)
Total long term liabilities		**(21,365,457)**	**(24,730,779)**
Net assets/(liabilities)		**(18,823,176)**	**(22,435,745)**
Financed by:			
Unusable Reserves	26.1	(19,139,311)	(22,814,553)
Usable reserves	26.2-3	316,135	378,808
Total reserves		**(18,823,176)**	**(22,435,745)**

The Balance Sheet shows the value as at 31 March 2025 (with prior year as a comparative year) of the assets and liabilities recognised by MOPAC. The net liabilities of MOPAC (assets less liabilities) are matched by the reserves held by MOPAC.

MOPAC Group and MOPAC Cash Flow Statement

£000	Notes	Year ending 31 March 2025-Group	Year ending 31 March 2024-Group	Year ending 31 March 2025-MOPAC	Year ending 31 March 2024-MOPAC
Net (surplus) or deficit on the provision of services		519,440	886,368	(3,706,660)	135,268
Adjustments to net (surplus)or deficit on the provision of services for non-cash movements	28.2	(739,429)	(909,555)	3,486,671	(158,455)
Adjustments for items in the net (surplus) or deficit on the provision of services that are investing or financing activities	28.3	57,047	61,412	57,047	61,412
Net cash flows from operating activities		**(162,942)**	**38,225**	**(162,942)**	**38,225**
Investing activities	28.4	233,791	238,838	233,791	238,838
Financing activities	28.5	(250,998)	(94,028)	(250,998)	(94,028)
Net (increase)/decrease in cash and cash equivalents		**(180,149)**	**183,035**	**(180,149)**	**183,035**
Cash and cash equivalents at the beginning of the period		11,564	194,599	11,564	194,599
Cash and cash equivalents at the end of the period		**191,713**	**11,564**	**191,713**	**11,564**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Group and MOPAC during the reporting period (with prior year as a comparative year). The statement shows how the Group generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The amount of net cash flows arising from operating activities is a key indicator of the way the Group has managed its cash outflows against the monies received by way of grant income and from the recipients of services provided by the Group.

Investing activities shows how the Group has made best use of its resources which are intended to contribute to the Group’s future service delivery. Cash flows arising from financing activities consist of short and long term borrowing in addition to repayment of PFI and finance lease liabilities and other payments for financing activities and are useful in predicting claims on future cash flows by providers of capital (e.g. borrowing) to the Group.

Notes to the Financial Statements for the Mayor's Office For Policing And Crime and the MOPAC Group

This set of notes represents the consolidated notes for the Statement of Accounts for 2024/25 as presented in the preceding pages 1 to 9.

1. Expenditure and Funding Analysis

1.1 Group expenditure and funding analysis

Group expenditure and funding analysis 2024/25 £000	As reported for resource management	Adjustments to arrive at the amount chargeable to the General Reserves balance	Net Expenditure chargeable to the General Reserves balance	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
		Note 1			
Frontline policing	1,759,802	(1,104)	1,758,698	(382,326)	1,376,372
Specialist operations	(3,162)	(7,881)	(11,043)	(66,187)	(77,230)
Operations and Performance	868,548	3,802	872,350	(65,121)	807,229
People and Resources	450,175	16,078	466,253	(51,959)	414,294
Professionalism	117,782	1,367	119,149	(10,985)	108,164
Digital, Data and Technology	255,701	6,245	261,946	1,510	263,456
Strategy and Transformation	56,776	19,256	76,032	(1,949)	74,083
Comms and Engagement	16,742	98	16,840	461	17,301
Centrally held	(59,240)	16,061	(43,179)	(80,762)	(123,941)
MOPAC	76,787	9,298	86,085	0	86,085
Net cost of service	**3,539,911**	**63,220**	**3,603,131**	**(657,318)**	**2,945,813**
Other income and expenditure	(3,549,911)	9,453	(3,540,458)	1,114,085	(2,426,373)
Surplus or deficit on General Reserves	**(10,000)**	**72,673**	**62,673**	**456,767**	**519,440**
Opening General Reserves and Earmarked Revenue Reserves at 31 March 2024			(376,604)		
Surplus/Deficit on General Reserves in year			62,673		
Closing General Reserves and Earmarked Revenue Reserves Balance at 31 March 2025			**(313,931)**		

Adjustments between the funding and accounting basis 2024/25 £000	Adjustments for capital purposes	Net change for the pensions adjustments	Other differences	Total Adjustments
	Note 2	Note 3	Note 4	
Frontline Policing	123,788	(507,866)	1,752	(382,326)
Specialist Operations	28,667	(95,236)	382	(66,187)
Operations and Performance	66,751	(132,651)	779	(65,121)
People and Resources	(18,635)	(33,534)	210	(51,959)
Professionalism	8,324	(19,416)	107	(10,985)
Digital, Data and Technology	2,162	(678)	26	1,510
Strategy and Transformation	1,847	(3,819)	23	(1,949)
Comms and Engagement	456	0	5	461
Centrally held	(80,762)	0	0	(80,762)
MOPAC	0	0	0	0
Net cost of service	132,598	(793,200)	3,284	(657,318)
Other income and expenditure	(45,015)	1,159,100	0	1,114,085
Difference between General Reserves surplus or deficit and CIES surplus or deficit on the provision of services	87,583	365,900	3,284	456,767

Group expenditure and funding analysis 2023/24 £000	As reported for resource management	Adjustments to arrive at the amount chargeable to the General Reserves balance Note 1	Net Expenditure chargeable to the General Reserves balance	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
Frontline policing	1,635,028	(2,890)	1,632,138	(214,432)	1,417,706
Specialist operations	(2,865)	(448)	(3,313)	(34,341)	(37,654)
Operations and Performance	880,090	1,093	881,183	(22,698)	858,485
People and Resources	347,671	2,984	350,655	(4,915)	345,740
Professionalism	97,303	1,533	98,836	(3,453)	95,383
Digital, Data and Technology	214,962	2,481	217,443	1,454	218,897
Strategy and Transformation	79,069	28,780	107,849	(2,239)	105,610
Comms and Engagement	15,463	0	15,463	509	15,972
Centrally held	(70,807)	107,735	36,928	(67,107)	(30,179)
MOPAC	72,799	8,605	81,404	0	81,404
Net cost of service	**3,268,713**	**149,873**	**3,418,586**	**(347,222)**	**3,071,364**
Other income and expenditure	(3,281,557)	2,766	(3,278,791)	1,093,795	(2,184,996)
Surplus or deficit on General Reserves	**(12,844)**	**152,639**	**139,795**	**746,573**	**886,368**
Opening General Reserves and Earmarked Revenue Reserves at 31 March 2023			(516,399)		
Surplus/Deficit on General Reserves in year			139,795		
Closing General Reserves and Earmarked Revenue Reserves Balance at 31 March 2024			**(376,604)**		

Adjustments between the funding and accounting basis 2023/24 £000	Adjustments for capital purposes Note 2	Net change for the pensions adjustments Note 3	Other differences Note 4	Total Adjustments
Frontline Policing	124,523	(358,028)	19,073	(214,432)
Specialist Operations	24,466	(61,960)	3,153	(34,341)
Operations and Performance	64,427	(91,065)	3,940	(22,698)
People and Resources	5,365	(10,583)	303	(4,915)
Professionalism	7,489	(11,440)	498	(3,453)
Digital, Data and Technology	1,985	(492)	(39)	1,454
Strategy and Transformation	1,601	(4,032)	192	(2,239)
Comms and Engagement	528	0	(19)	509
Centrally held	(67,107)	0	0	(67,107)
MOPAC	0	0	0	0
Net cost of service	163,277	(537,600)	27,101	(347,222)
Other income and expenditure	(50,605)	1,144,400	0	1,093,795
Difference between General Reserves surplus or deficit and CIES surplus or deficit on the provision of services	112,672	606,800	27,101	746,573

The expenditure and funding analysis shows how annual expenditure is used and funded from resources by the Group in comparison with those resources consumed or earned by the Group in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Group's departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Note 1 - This column shows the adjustments required to arrive at the net amount chargeable to the General Reserves from the financial outturn reported as part of the Group's internal financial reporting arrangements. This includes adjustments for movements to and from reserves which are included against the cost of service and the removal of interest income and expenses from the net cost of service and reflection in other income and expenditure in line with generally accepted accounting practices.

Note 2 - Adjustments for capital purposes – this column adds depreciation in the services line and removes MRP and other revenue contributions to capital which are not chargeable under generally accepted accounting practices. In Other income and expenditure:

- Capital disposals are adjusted for with a transfer of the income received on disposal of assets and a charge for the amounts written off for those assets.
- Movements in the fair value of the investment properties are transferred back.
- Capital grants are transferred back as income.

Note 3 - Net change for the pensions adjustments – this is the net change for the removal of pensions contributions made by the Group and the replacement with accounting entries under IAS 19.

Note 4 - Other differences – this column adds back the estimate for untaken annual leave at the end of the financial year in line with generally accepted accounting practices.

1.2 MOPAC expenditure and funding analysis

MOPAC expenditure and funding analysis 2024/25	As reported for resource management	Adjustments to arrive at the amount chargeable to the General Reserves balance	Net Expenditure chargeable to the General Reserves balance	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
		Note 1			
£000					
Intra-group funding policing	3,463,124	18,911	3,482,035	(657,318)	2,824,717
Other	76,787	9,298	86,085	0	86,085
Revaluation loss not charged to CPM		35,011	35,011	0	35,011
Net cost of service	**3,539,911**	**63,220**	**3,603,131**	**(657,318)**	**2,945,813**
Other income and expenditure	(3,549,911)	9,453	(3,540,458)	(3,112,015)	(6,652,473)
Surplus or deficit on General Reserves	(10,000)	72,673	62,673	(3,769,333)	(3,706,660)
Opening General Reserves and Earmarked Revenue Reserves at 31 March 2024			(376,604)		
Deficit on General Reserves in year			62,673		
Closing General Reserves and Earmarked Revenue Reserves Balance at 31 March 2025			(313,931)		

Adjustments between the funding and accounting basis 2024/25 £000	**Adjustments for capital purposes**	**Net change for the pensions adjustments**	**Other differences**	**Total Adjustments**
	Note 2	**Note 3**	**Note 4**	
Intra-group funding policing	132,598	(793,200)	3,284	(657,318)
MOPAC	0	0	0	0
Revaluation loss not charged to CPM	0	0	0	0
Net cost of service	132,598	(793,200)	3,284	(657,318)
Other income and expenditure	(45,015)	(3,067,000)	0	(3,112,015)
Difference between General Reserves surplus or deficit and CIES surplus or deficit on the provision of services	87,583	(3,860,200)	3,284	(3,769,333)

MOPAC expenditure and funding analysis 2023/24 £000	As reported for resource management	Adjustments to arrive at the amount chargeable to the General Reserves balance Note 1	Net Expenditure chargeable to the General Reserves balance	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
Intra-group funding policing	3,195,914	84,763	3,280,677	(347,222)	2,933,455
Other	72,799	8,605	81,404	0	81,404
Revaluation loss not charged to CPM	0	56,505	56,505	0	56,505
Net cost of service	**3,268,713**	**149,873**	**3,418,586**	**(347,222)**	**3,071,364**
Other income and expenditure	(3,281,557)	2,766	(3,278,791)	342,695	(2,936,096)
Surplus or deficit on General Reserves	(12,844)	152,639	139,795	(4,527)	135,268
Opening General Reserves and Earmarked Revenue Reserves at 31 March 2023			(516,399)		
Deficit on General Reserves in year			139,795		
Closing General Reserves and Earmarked Revenue Reserves Balance at 31 March 2024			(376,604)		

Adjustments between the funding and accounting basis 2023/24 £000	Adjustments for capital purposes Note 2	Net change for the pensions adjustments Note 3	Other differences Note 4	Total Adjustments
Intra-group funding policing	163,277	(537,600)	27,101	(347,222)
MOPAC	0	0	0	0
Revaluation loss not charged to CPM	0	0	0	0
Net cost of service	163,277	(537,600)	27,101	(347,222)
Other income and expenditure	(50,605)	393,300	0	342,695
Difference between General Reserves surplus or deficit and CIES surplus or deficit on the provision of services	112,672	(144,300)	27,101	(4,527)

The expenditure and funding analysis shows how annual expenditure is used and funded from resources by MOPAC in comparison with those resources consumed or earned by MOPAC in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decisions making purposes between the Group's departments. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Note 1 This column shows the adjustments required to arrive at the net amount chargeable to the General Reserves from the financial outturn reported as part of the Group's internal financial reporting arrangements. This includes adjustments for movements to and from reserves which are included against the cost of service and the removal of interest income and expenses from the net cost of service and reflection in other income and expenditure in line with generally accepted accounting practices.

Note 2 Adjustments for capital purposes – this column adds depreciation in the services line and removes MRP and other revenue contributions to capital which are not chargeable under generally accepted accounting practices. In Other income and expenditure:

- Capital disposals are adjusted for with a transfer of the income received on disposal of assets and a charge for the amounts written off for those assets.
- Movements in the fair value of the investment properties are transferred back.
- Capital grants are transferred back as income shown under generally accepted accounting practices.

Note 3 Net change for the pensions adjustments – this is the net change for the removal of pensions contributions made by MOPAC and the replacement with accounting entries under IAS 19.

Note 4 Other differences – this column adds back the estimate for untaken annual leave at the end of the financial year in line with generally accepted accounting practices.

2. Statement of accounting policies

2.1 General principles

These financial statements have been prepared in accordance with the Code of Practice (the Code) on Local Authority Accounting in the United Kingdom 2024/25 issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Accounts and Audit Regulations 2015. The accounting policies contained in the Code apply International Financial Reporting Standards (IFRS) as adapted for the public sector by the International Public Sector Accounting Standards (IPSAS).
The Accounts have been prepared on a going concern basis using an historic cost convention, modified to account for the revaluation of certain categories of tangible fixed assets and financial liabilities. The going concern assessment has been reached by the Chief Finance Officer following a review of the following factors:

- Financial Position
- Medium Term Financial Plan
- CIPFA Financial Resilience Index
- Governance arrangements
- Regulatory and control environment applicable to MOPAC as a PCC.

Following the passing of the Police Reform and Social Responsibility Act 2011 the Metropolitan Police Authority (MPA) was replaced on 16 January 2012 with two ‘corporations sole’, the Mayor’s Office for Policing And Crime (MOPAC) and the Commissioner of Police of the Metropolis (CPM). Both bodies are required to prepare a separate Statement of Accounts. The Narrative Report which accompanies the Accounts sets out the roles and responsibilities of each in more detail.

The Financial Statements included here represent the accounts for MOPAC and also those for the MOPAC Group, consolidating the financial activities of MOPAC and the CPM. The Financial Statements cover the 12 months to the 31 March 2025 (with prior year as a comparative year). The term ‘Group’ is used to indicate combined transactions and policies of MOPAC and CPM for the year ended 31 March 2025. The identification of MOPAC as the holding organisation and the requirement to produce group accounts stems from the powers and responsibilities of MOPAC under the Police Reform and Social Responsibility Act 2011.

The significant accounting policies adopted are set out below.

2.2 Revenue and expenditure recognition

Revenue is recognised in a way that reflects the pattern in which goods and services are transferred to service recipients. It is transferred at an amount that reflects the consideration that the Group expects to be entitled to in exchange for those goods and services. Whilst all expenditure is funded by MOPAC (as the body responsible for maintaining the Police Fund for London) including the wages of police staff and officers, the actual recognition in the respective MOPAC and CPM Accounts is based on which organisation receives the economic benefit from the transactions.

Consideration received in advance is recognised as deferred revenue in the Balance Sheet and released as income is earned. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

2.3 Accruals of income and expenditure

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

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligation in the contract;
- 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;
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when services are received rather than when payments are made;
- Where income and expenditure has been recognised (using estimates when appropriate) but cash has not been received or paid, a debtor or creditor for the relevant year is recorded in the Balance Sheet;
- Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to CIES for the income that might not be collected.

2.4 Provisions

Provisions are recognised on the Balance Sheet when a present legal or constructive obligation exists for a future liability in respect of a past event and where the amount of the obligation can be estimated reliably. Provisions are charged to the CIES in the year the Group becomes aware of the obligation, based on the best estimate of the likely settlement. When payments are eventually made, they are charged to the provision set up in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes more likely than not that a transfer of economic benefits will not be required, the provision is reversed and credited back to the CIES.

Third party liabilities – to make provision for realistic estimates of the future settlement of third party claims, the liability for which already exists at the date of the Balance Sheet, in so far as they will not be met by external insurance. The figure shown on the Balance Sheet does not include any adjustment to discount the total liability to present day terms in line with IAS 39 Financial Instruments because the claims involved are deemed to be estimates based on present day values.

Police officer pension liability (intra-group) - to make provision to reflect the continuing requirement on an elected local policing body as required under the Police Reform and Social Responsibility Act 2011, to provide funds to the CPM from the Police fund for the payment of police pensions. The intra-group balances will not appear in the Group Accounts.

2.5 Reserves

Reserves consist of two elements: usable and unusable. Usable reserves are those which can be applied to fund expenditure. They are made up of the General Reserves, Earmarked Reserves, Capital Receipts Reserve and the Capital Grants Unapplied Account. Earmarked reserves are established from time to time to meet specific expected revenue or capital costs as determined by MOPAC. Unusable reserves cannot be applied to fund expenditure. They include the Capital Adjustment Account, Pension Reserve, Accumulated Absences Account, Financial Instruments Adjustment Account, Revaluation Reserve and Deferred Capital Receipts Reserve. These accounts do not form part of the cash resources available to the Group.

Reserves are created by appropriating amounts in the CIES. When expenditure to be financed from a reserve is incurred, it is charged to the CIES against the Net Cost of Policing Services. The reserve is then appropriated back in the MIRS so that there is no net charge for the expenditure.

2.6 Government and other organisations' grants and contributions

Whether paid on account, by instalments or in arrears, revenue government grants and third party contributions are recognised as income at the date that the Group satisfies the conditions of entitlement to the grant/contribution.

The grant/contribution is recognised within the CIES as income when the conditions of entitlement are known to be satisfied. If the grant/contribution has been received in advance of need then the amount is transferred to a Grant in Advance Account.

Grants to cover general expenditure (e.g. Police Revenue Grant) are credited to the CIES within the provision of services.

2.7 Employee benefits

Benefits payable during employment
Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits for current employees and these benefits are recognised as an expense in the year in which the employee renders service to the Group.

IAS 19 Employee Benefits requires MOPAC to account for short-term compensating absences (these are periods during which an employee benefits continue to be earned which include time owing for annual leave and rest days) by accruing for the benefits which have accumulated but are untaken by the Balance Sheet date. Short term accumulated absences are recognised in the CPM Accounts in the period in which officers or police staff render the service which entitles them to the benefit, not necessarily when they enjoy the benefit. The cost of leave earned, but not taken by police officers and staff at the end of the financial year is recognised in the financial statements to the extent that the staff are entitled to carry forward leave into the following year. Equivalent liabilities for employee benefits are recognised on the MOPAC Balance Sheet to reflect the continuing requirement on MOPAC to provide funds from the Police Fund to meet these liabilities as they fall due. The Group Balance Sheet also reflects the liability for time owing and annual leave. The accrual for untaken leave is charged to the Net Cost of Policing Services, and reversed out through the MIRS so that the leave is charged to CIES in the financial year in which the holiday absence is earned.

Termination benefits
Termination benefits are amounts payable as a result of a decision to terminate a member of staff's employment before their normal retirement date or their decision to accept voluntary redundancy. These are charged as an expense in the CIES at the earlier of when the organisation can no longer withdraw the offer of those benefits and when the organisation recognises the costs for a restructuring.

Post-employment benefits
All active police officers are eligible for membership of the Police Pension Scheme 2015 (PPS2015). Police staff have access to the Alpha pension scheme, as part of the Civil Service Pension arrangement. The CPM is the administering body for the Pension Fund. MOPAC provides funds from the Police Fund to meet the pension payments as they fall due.

Police officers
The Police Pension Scheme is a defined benefit contributory occupational pension scheme which is guaranteed and backed by law. The PPS 2015 is a new Career Average Revalued Earnings (CARE) Scheme and was introduced on 1 April 2015, this scheme is a change from the previous 1987 and 2006 Final Salary Schemes. All officers starting after 1 April 2015 joined the new 2015 Scheme. On 1 April 2022, as part of the McCloud remedy, all existing members in the 1987 and 2006 schemes moved to the 2015 scheme. Members of the new 2015 Scheme make contributions of between 12.44% and 13.78% of pensionable pay. The employees' contribution rate is set nationally by the Home Office and is subject to triennial revaluation. The employer contribution rate was increased to 35.3%, from 1 April 2024. New financial arrangements were introduced on 1 April 2006 to administer the schemes.

The police pension schemes are defined benefit schemes paid from revenue (without managed pension assets). Following the Code's requirements, IAS 19 has been fully recognised in the Group Accounts. Scheme liabilities as shown on the Group's Balance Sheet are calculated by determining future liabilities for pension payments and applying a discount rate to reduce them to present day values. IAS 19 specifies the use of a discount rate equal to the current rate of return available on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension liabilities in these Accounts have been calculated accordingly at a discount rate of 4.85% for all schemes.

Recognition of the total liability has a substantial impact on the net worth of the MOPAC Group. Accrued net pension liabilities are assessed on an actuarial basis. The change in net pension 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 to the Group CIES to the services for which the police officers 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 Net Cost of Policing Services in the Group CIES;
  - Interest on the defined benefit liability - the increase during the period in the defined benefit liability which arises because the benefits are one year closer to being paid – debited to the Financing and Investment Income and Expenditure line in the Group CIES;
- Re-measurements comprising actuarial gains and losses – changes in the pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited or credited to the Pensions Reserve as Other Comprehensive Income and Expenditure with the exception of actuarial gains and losses in relation to injury benefits, which are debited or credited to the Net Cost of Policing Services in the CIES.
- Contributions paid to the Police Pension Fund – cash paid as employer's contributions to the Pension Fund in settlement of liabilities, not accounted for as an expense.

The net liability for all the pension schemes is recognised initially on the CPM Balance Sheet in accordance with IAS 19 Employee Benefits. MOPAC provides the sole source of funding to meet the CPM's costs through the budget delegated by MOPAC to the CPM. All CPM liabilities will therefore ultimately be funded by MOPAC. The pension liability is therefore offset by an intra-group adjustment between MOPAC and the CPM to reflect MOPAC's continuing responsibility to provide funds from the Police Fund to enable the CPM to administer pension payments. This has resulted in a liability within MOPAC's Balance Sheet for the Police Pension Schemes.

The legislation however requires the General Reserves balance to be charged with the amount payable by MOPAC to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the MIRS, 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 year end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Reserves of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Police staff
The Group joined the Principal Civil Service Pension Scheme (PCSPS) in 2002/03. The PCSPS is an unfunded defined benefit scheme which operates seven different sub schemes but only one is open to new staff joining MOPAC/CPM, the Alpha Scheme, which is a career average scheme. Additionally, there is a defined contribution alternative. The PCSPS is a multi-employer scheme whereby the underlying assets and liabilities within the Scheme are not broken down and attributed to individual employers, and therefore is defined as a multi-contribution scheme. The appropriate level of disclosure has been followed in accordance with IAS 19.

2.8 Property, plant and equipment

Property, plant and equipment are assets that have physical substance and are held for use in the provision of services or for administrative purposes on a continuing basis. The de minimis level policy is to capitalise all expenditure over £5,000 on an individual asset basis, and projects (or grouped assets) with a total value in excess of £5,000: expenditure on partnership assets is capitalised over £1,000.

Recognition: Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised on an accruals basis, provided that they yield benefits to the Group and the services they provide are for more than one financial year. Expenditure that secures, but does not extend the previously assessed standards of performance of an asset (e.g. repairs and maintenance) is charged to revenue as it is incurred. Assets under construction are recorded in the Balance Sheet at historical cost.

Measurement: Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use.
Assets are carried in the Balance Sheet using the following measurement bases:

- Specialised operational properties – current value, but because of their specialist nature are measured at depreciated replacement cost which is used as an estimate of current value;
- Non-specialised operational properties – current value, determined as the amount that would be paid for the asset in its existing use (existing use value EUV);
- Surplus properties and investment properties – fair value estimated at highest and best use from a market participant's perspective;
- Leasehold improvements – depreciated historic cost as a proxy for current value.
- Vehicles, plant and equipment – In such cases where non property assets have short useful lives or low values (or both), depreciated historic cost is used as a proxy for current value.
- Assets held for sale – lower of current value and fair value less costs to sell.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their value at the year end. Property revaluations are based on a rolling review programme of inspections at intervals of less than five years. The top 20 properties in value as well as 20% of the assets are physically inspected whilst 80% are revalued on a desktop basis.

Component assets: The Group recognises and records component assets separate from the main asset where material. Where a component asset is identified it is written down on a straight line basis over its useful economic life using a depreciated historic cost approach.

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 write down is estimated to be material, the recoverable amount of the asset is determined and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where the loss is determined for a previously revalued asset, it is written off against any revaluation gains held for the relevant asset in the Revaluation Reserve, with any excess charged to the CIES. Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line 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.

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 are credited to the same line in the CIES as part of the gain or loss on disposal. The written off carrying value of the asset is transferred from the General Reserves to the Capital Adjustment Account in the MIRS. Sale proceeds over £10,000 are categorised as capital receipts and are transferred from the General Reserves Balance to the Capital Receipts Reserve in the MIRS.

Depreciation: This is provided for all assets with a useful finite life, by allocating the value of the asset in the Balance Sheet over the periods expected to benefit from their use, on a straight-line basis. Depreciation is charged on a monthly basis.

Principal asset categories and their useful economic lives

Operational Assets	Category	Years
Property	Land	Not depreciated
	Buildings	10 – 65 years
Plant and equipment	Information Technology and communications equipment	2 - 25 years
	Software development	3 - 5 years
	Policing support vehicles including Patrol vehicles	3 - 20 years
	Other Equipment	4 – 25 years
Intangible assets	Software licences.	3-11 years
Non-operational assets		
Assets under construction		Not depreciated
Surplus Assets		Depreciated
Assets held for sale		Not depreciated
Investment properties		Not depreciated

Grants and contributions: Grants and contributions relating to capital expenditure shall be recognised in the CIES as income except to the extent that the grant or contribution has a condition that the Group has not satisfied. In that event the amount subject to condition is transferred to the Capital Grants Receipts in Advance account. Where the conditions of the grant/contribution are satisfied, but expenditure for which the grant is given has not yet been incurred, then such sums will be transferred to the Capital Grants Unapplied Reserve.

2.9 Charges to revenue for property, plant and equipment

The Group CIES is charged with the following amounts, to record the real cost of holding non-current assets during the year:

- Depreciation attributable to the assets used by the relevant service;
- Revaluation gains or losses on investment properties;
- Amortisation of intangible fixed assets attributable to the service.

The Group is required to make an annual provision from revenue to contribute towards the reduction in its overall borrowing requirement. The Minimum Revenue Provision (MRP) is set on a prudent basis as determined by the Group in accordance with statutory guidance.

2.10 Non-current assets held for sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of its carrying amount and fair value less costs to sell. Depreciation is not charged on Assets Held for Sale.

2.11 Investment properties

These are properties held solely by MOPAC for the purpose of generating rental income or for capital appreciation and are occupied by third parties. These properties are not used in any way to facilitate the delivery of services or held for sale.

Investment properties are measured initially at cost and subsequently at ‘fair value’ (as defined in the Section below). Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and

Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Reserves Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Reserves Balance. The gains and losses are therefore reversed out of the General Reserves Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

2.12 Surplus Assets

These are assets that are not being used to deliver services, and do not meet the CIPFA Code of Practice criteria to be classified as either investment properties or non-current assets held for sale. The valuation at which they are held is based on an estimate of the price that would be received by selling in an orderly transaction between market participants at the valuation date.

2.13 Fair value measurement

The Group measures some of its non-financial assets such as investment properties 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 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:

a) in the principal market for the asset or liability, or
b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Group 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 economic best interest. When measuring the fair value of a non-financial asset, the Group 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 Group 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 Group’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 Group 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.

2.14 Leases

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

Lease 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, if later). The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the Group’s incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. The right of use asset is measured at the amount of the lease liability, adjusted for any prepayments made and 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. For peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.
The right-of-use asset is subsequently measured using the fair value model. The cost model is considered a reasonable proxy for this except when an asset is held under an index-linked lease or a peppercorn or nil consideration leases. In these cases, the asset is carried at a revalued amount. The right-of-use asset is depreciated over the shorter period of the remaining lease term and then 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 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 as income.

The Group excludes low value leases, defined as items that cost less than £5,000, and leases with a term shorter than 12 months.

The Group as lessor
There are a number of short-term operating leases for property where the Group acts as lessor. Where the organisation grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the CIES. Credits are made on a straight line basis over the life of the lease, even if this does not match the pattern of payments (e.g. where there is a premium paid at the commencement of the lease).

There are no finance leases where the Group is a lessor.

2.15 Value Added Tax (VAT)

Income and expenditure excludes any amounts relating to VAT as VAT is remitted to/from the HM Revenue & Customs.

2.16 Financial liabilities

Financial liabilities are recognised on the Balance Sheet when the MOPAC becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the CIES for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. For most of the borrowings, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest). Interest charged to the CIES is the amount payable for the year according to the loan agreement.

2.17 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. The Group's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified at amortised cost, except for those whose contractual payments are not solely payments of principal and interest. These have been designated at Fair Value through Other Comprehensive Income.

Financial assets measured at amortised cost are recognised when the Group becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are then subsequently carried at their amortised cost. Interest and other income received is based on the capital value of the investment multiplied by the effective rate of interest. For most of the loans that MOPAC has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable. Interest is credited to the CIES with the amount receivable for the year defined in the loan agreement. The loans made by MOPAC are short-term investments consisting of fixed term deposits.

Financial assets that are measured at Fair Value through Other Comprehensive Income are recognised on the Balance Sheet when the authority become 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 arise in Other Comprehensive Income.

The Group recognises expected credit losses on all of its financial assets held at amortised cost and Fair Value through Other Comprehensive Income, either on a 12 month or lifetime basis. Only lifetime losses are recognised for trade receivables held by the Group.

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 estimated on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

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

2.18 Contingent assets and liabilities

The Group recognises material contingent liabilities as either:

- Possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organisation, or
- Present obligations that arise from past events but are not recognised because;
  a) it is not probable that outflows of resources embodying economic benefits or service potential will be required to settle the obligations, or
  b) the amount of the obligations cannot be measured with sufficient reliability.

A material contingent liability is not recognised within the accounts as an item of expenditure. It is, however, disclosed in a note unless the possibility of a transfer of economic benefits or service potential in settlement is remote (in which case no action is needed).

The Group may also disclose a contingent asset as 'a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the organisation'.

2.19 Private Finance Initiative

MOPAC has two long term contractual agreements under PFI whereby the contractor is responsible for the design, construction, finance and maintenance of four police stations in south-east London (Police Stations PFI) and a public order and firearms training centre (Training Ground PFI). These contracts are deemed to be under the control of MOPAC and as such the accounting treatment has been to include them on the Balance Sheet in accordance with the Code.

In addition to the assets created for the PFI buildings on the Balance Sheet, long term liability accounts are also disclosed on the Balance Sheet to reflect future payments to the contractor. Payments made by MOPAC under contract are charged in part to revenue to reflect the value of services received and cost of financing and in part to the Balance Sheet, to reflect repayment of the outstanding liability over the remaining period of the lease agreement. The profile of repayments of the outstanding liability is calculated using the same principles as for a finance lease.

2.20 Cash and cash equivalents

Cash is cash in hand and deposits with MOPAC's main banker and a number of other banks. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.21 Events after the reporting period

When an event occurs after the Balance Sheet date which provides evidence of conditions that existed at the Balance Sheet date an adjusting event occurs and the amounts recognised in the Statement of Accounts will be adjusted to take into account any values that reflect the adjusting event. Where an event occurs after the Balance Sheet date that is indicative of conditions that arose after the Balance Sheet date, the amounts recognised in the Statement of Accounts are not adjusted but disclosed as a separate note to the Accounts. Events after the Balance Sheet date are reflected up to the date when the Statement of Accounts is authorised for issue.

2.22 Overhead costs

The costs of overheads and support services are charged to service segments within the Group CIES in accordance with the Group's arrangements for accountability and financial performance. In practice this means support costs other than Corporate and Democratic Core (CDC) are recognised in the intra-group funding - policing line of the MOPAC CIES on the basis that all services to which support costs are allocated were delivered by the CPM in 2024/25.

2.23 Prior period adjustments, changes in accounting policies, estimates and errors

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

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

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

3. Accounting standards that have been issued, but not yet adopted

There are issued accounting standards and amendments to issued accounting standards which have not yet been adopted by the Code which will apply to the Group and MOPAC in 2025/26:

- IAS21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023.
- IFRS17 Insurance Contracts issued in May 2017.

There will be limited application of the two standards above in the Group's statement of accounts.

4. Significant estimates and judgements in applying the accounting policies

The preparation of the financial statements requires the Group to make judgements, estimates and assumptions that affect the application of policies and reporting amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors, the results of which form the basis of making judgements about the values of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised. Material estimates and assumptions are made in the following cases:

Estimates

- Establishing the valuations of operational and residential properties represents a significant estimate. Valuations are undertaken by a professional surveyor in line with RICS guidance (see Note 16.1). Where possible, observable market data (recent transactions or rental yields) is used which reduces estimation uncertainty. For operational property, the valuation method relies on a cost model for estimating build costs of a modern equivalent asset. There are two key inputs to this estimate – RICS Build Cost Indices and Build Cost Indices Location Weightings;

- Depreciation is calculated based on the asset value and expected useful life of assets (see Note 16). The Group monitors the useful life of assets to identify where any changes to the depreciation charge are required during the year;

- The costs of providing pension benefits to police officers, requires estimates regarding future cash flows that will arise to meet the scheme liabilities, see Note 12. The assumptions underlying the valuation used for IAS 19 reporting are the responsibility of the MOPAC CFO as advised by the scheme actuaries. The financial assumptions used by the actuaries are largely prescribed at any point and reflect market expectations at the reporting date. Assumptions are also made around the life expectancy of the UK population. The last full valuation of the pension scheme undertaken using full membership data was conducted in 2022. Under IAS19, the actuaries have projected the results of this valuation using approximate methods. In particular, the roll-forward allows for:

    - Changes in financial and life expectancy assumptions;
    - Additional benefit accrual;
    - Actual cash flows over the period; and
    - Updated membership information.

Judgements

- Note 2.2 Revenue Recognition; A judgement has been made of the expenditure allocated between MOPAC and the CPM to reflect the financial resources of MOPAC consumed at the request of the CPM. In arriving at this approach various interested parties were consulted including senior management in both corporate bodies and careful consideration given to the Police Reform and Social Responsibility Act 2011 and Home Office guidance. More details are included in Note 6;

- Note 2.7 Employee Benefits; A liability has been recognised on the MOPAC Balance Sheet equivalent to the liability for police officer pensions recognised on the CPM Balance Sheet under IAS 19 Retirement Benefits. The costs and liability relating to police pensions are recognised in the CPM Accounts in the first instance because police officers are under the direction of the CPM. As MOPAC has a statutory obligation to provide funds to meet police pension liabilities, a corresponding liability has been included in the MOPAC Accounts. The intra-group adjustments are removed from consolidation to show only the IAS 19 liability itself in the Group Balance Sheet. This liability is offset in the Group Balance Sheet by the Police Officer Pension Reserve because under statute MOPAC can only charge to the Police Fund actual amounts paid as contributions in the Police Officer Pension Fund in the year and not the full amount under IAS 19.

5. Assumptions made about the future and other major sources of estimation uncertainty

The Code contains a disclosure requirement for assumptions made about the future and other major sources of estimation uncertainty for which there is a significant risk of 'material' adjustment. At the date of publication of the Accounts, the key assumptions and sources of major uncertainty affecting the accounts are set out in note 4. The most significant of these relates to assumptions made regarding the Police pension liability – namely the discount rate, inflation, life expectancy and salary growth. The value of the pension liability requires estimation of financial and non-financial assumptions over a long time period (30-50yrs), and hence represents a source of significant estimation uncertainty. For this reason, sensitivity analysis for movements in these key assumptions is included at Note 12.1.

6. The relationship between the Mayor's Office for Policing And Crime and the Commissioner of Police of the Metropolis for accounting purposes

6.1 Introduction

Following the Police Reform and Social Responsibility Act 2011 (The Act), the Metropolitan Police Authority (MPA) was replaced on 16 January 2012 with two corporations sole, the Mayor's Office for Policing And Crime (MOPAC) and the Commissioner of Police of the Metropolis (CPM). These financial statements for 2024/25 show the financial positions of the MOPAC and MOPAC Group together with comparative figures for 2023/24.

6.2 Accounting principles

The accounting recognition of assets, liabilities and reserves in 2024/25 reflects the powers and responsibilities of MOPAC as designated by the Police Reform and Social Responsibility Act 2011 and the Home Office Financial Management Code of Practice for the Police Service, England and Wales 2018. This accounting treatment is also underpinned by the working relationship between the Deputy Mayor and the Commissioner as defined by local regulations, (MOPAC Financial Regulations and Scheme of Consent and Delegation), local agreement and practice. On 16 January 2012 the assets, liabilities and reserves of the MPS were transferred directly to MOPAC and during 2024/25 they remain under MOPAC control. Statutory and local arrangements determine that MOPAC holds all the assets, liabilities and the reserves and is responsible for the police pension liability. All payments for the Group are made by MOPAC from the MOPAC Police Fund and all income and funding received by MOPAC. MOPAC has the responsibility for managing the financial relationships with third parties and has legal responsibilities for discharging the contractual terms and conditions of suppliers.

With effect from 1 April 2014, under the Police Reform and Social Responsibility Act 2011 the contracts of employment of police staff under the direction of the Commissioner transferred to the CPM. For accounting purposes, the costs of police staff and officers under the direct control of the Commissioner are recognised in the CPM Accounts and the costs of staff under the direct control of MOPAC are recognised in the MOPAC CIES. All assets, liabilities and reserves remain under the ownership of MOPAC.

The International Accounting Standards Board (IASB) Framework states that assets, liabilities and reserves should be recognised when it is probable that any 'future' benefit associated with the item will flow to, or from the entity. Based on the statutory responsibilities and local arrangements within which MOPAC operates in conjunction with the IASB guidance, it has been deemed that ‘all’ the assets, liabilities and reserves are recognised on the MOPAC Balance Sheet and consequently the balance sheets for MOPAC and the Group are similar. This reflects the fact that MOPAC retains control over all assets including which are held, which are disposed and who has access to use the assets and therefore controls the long term risk and rewards of ownership.

Police Pension costs are recognised in the CPM Accounts in accordance with IAS 19 (Employee Benefits). The liability for police pensions on the CPM Balance Sheet is offset by an intra-group debtor reflecting MOPAC’s responsibility to provide funds from the police fund each year to enable the CPM to administer police pension payments. The MOPAC Balance Sheet shows an intra-group provision to reflect its responsibility to provide funds for the payment of police pensions. The same accounting treatment applies to ‘accumulated absences due to employees but not taken at the reporting date’. The liabilities in the CPM Balance Sheet are offset by an intra-group transfer from MOPAC to reflect the fact that MOPAC ultimately funds the CPM’s employee costs.

Accounting treatment

The table below shows the movement through an intra-group account within the respective CIES during 2024/25. Corresponding accounting entries in the MOPAC CIES and CPM CIES can be seen in the financial statements.

Intra-group adjustments between MOPAC and CPM within the CIES

Intra-group - total transactions for 2024/25 £million	MOPAC	CPM	Group
IAS 19 pension costs within net cost of services	0	82	82
Accumulated absences	0	3	3
Other costs within net cost of services	0	2,740	2,740
Intra-group adjustment (MOPAC funding)	2,825	(2,825)	0
Pension interest cost	0	1,159	1,159
Intra-group adjustment (MOPAC funding pension)	1,159	(1,159)	0
Actuarial losses/(gain) on police fund	0	(4,226)	(4,226)
Intra-group adjustment (MOPAC funding pension)	(4,226)	4,226	0
Total transactions for the year	**(242)**	**0**	**(242)**

Intra-group - total transactions for 2023/24 £million	MOPAC	CPM	Group
IAS 19 pension costs within net cost of services	0	275	275
Accumulated absences	0	27	27
Other costs within net cost of services	0	2,631	2,631
Intra-group adjustment (MOPAC funding)	2,933	(2,933)	0
Pension interest cost	0	1,144	1,144
Intra-group adjustment (MOPAC funding pension)	1,144	(1,144)	0
Actuarial losses/(gain) on police fund	0	(751)	(751)
Intra-group adjustment (MOPAC funding pension)	(751)	751	0
Total transactions for the year	**3,326**	**0**	**3,326**

Accounting entries reflected in the respective Balance Sheet at year end

Intra-group - total transactions for 2024/25 £million	MOPAC	CPM	Group
CPM - Long term Intra-group Debtor	0	20,338	0
CPM - Short term Intra-group Debtor	0	228	0
CPM - Police Officer pension liability	0	(20,338)	(20,338)
CPM - Creditor - accumulated absences	0	(228)	(228)
MOPAC - Long term Intra-group Creditor	(20,338)	0	0
MOPAC - Short term Intra-group Creditor	(228)	0	0
MOPAC - Unusable Reserves	20,338	0	20,338
MOPAC - Unusable Reserves	228	0	228

Intra-group - total transactions for 2023/24 £million	MOPAC	CPM	Group
CPM - Long term Intra-group Debtor	0	24,198	0
CPM - Short term Intra-group Debtor	0	225	0

CPM - Police Officer pension liability	0	(24,198)	(24,198)
CPM - Creditor - accumulated absences	0	(225)	(225)
MOPAC - Long term Intra-group Creditor	(24,198)	0	0
MOPAC - Short term Intra-group Creditor	(225)	0	0
MOPAC - Unusable Reserves	24,198	0	24,198
MOPAC - Unusable Reserves	225	0	225

The CIES for MOPAC and the Group are similar at 'summary level'. The MOPAC CIES includes not only the cost of administering the MOPAC itself, but also payment for MOPAC resources consumed at the request of the CPM. Correspondingly in the CPM CIES, total Comprehensive Income and Expenditure is nil for 2024/25 as the 'resources consumed at the request of the CPM' are completely offset by the intra-group adjustment.

7. Analysis of surplus or deficit on the provision of service

7.1 Service expenditure analysis

The first half of the MOPAC Group CIES on page 1 shows the Net Cost of Policing Services (the operating cost in year of providing services for the Group). The costs are also categorised between the seven divisions which represent the organisational structure headings under which the MOPAC Group operates and manages its services.

7.2 Income

Income received by MOPAC includes fees and charges, interest, investments, contributions, specific grants and other service income. A breakdown under these headings for 2024/25 is shown in the table in Section 7.3 below.

The ability to charge for police services is generally determined by statutory provisions.

- The provision of special police services at the request of any person under s25 of the Police Act 1996. Special police services generally relate to policing an event e.g. a pop concert, or series of events, including football matches and policing at the Palace of Westminster;
- S15 of the Police Reform and Social Responsibility Act 2011 extends to police bodies the powers of the Local Authorities (Goods and Services) Act 1970 to supply goods and services to other bodies or persons. This may include services provided in competition with other providers, for example training, where charges will reflect market rates, or services provided as a by-product of core policing activity such as provision of collision reports;
- The Aviation Security Act 1982 for policing in relation to the operation of airports;
- The provision of police services to other agencies such as the Home Office Border Force (previously the UK Border Agency) or the prison service;
- The provision of mutual aid to other forces.

Income received also includes miscellaneous items such as loans of equipment to other forces, rents receivable, sales of equipment under £10,000 and prosecution costs recovered by way of illustration.

Specific grants represent grants for specific operational activities (a breakdown is provided in Note 15). General grants not directly attributable to specific operational activities are recognised below the Net Cost of Service.

7.3 Expenditure and income analysed by nature for MOPAC and the MOPAC Group

In the table below the operating income and expenditure for MOPAC and the MOPAC Group for the period 1 April 2024 to 31 March 2025, is presented in a subjective analysis format. The subjective analysis format is used by management to make decisions about resource allocation in internal management reports.

Expenditure and income analysis by nature for MOPAC and the MOPAC Group

£000	MOPAC 2024/25	CPM 2024/25	Group 2024/25	MOPAC 2023/24	CPM 2023/24	Group 2023/24
Expenditure						
Employee costs						
Police officer salaries	0	2,262,877	2,262,877	0	2,203,092	2,203,092
MOPAC and Police staff wages and salaries	20,118	753,913	774,031	18,390	681,179	699,569
Employee related expenditure	338	70,299	70,637	381	61,275	61,656
Net police officer pensions	0	(227,160)	(227,160)	0	(56,032)	(56,032)
Net MOPAC police staff pensions	4,116	165,421	169,537	3,528	140,562	144,090
Premises related	895	190,256	191,151	1,037	199,518	200,555
Transport related	9	93,602	93,611	4	95,749	95,753
Supplies and services*	104,598	679,986	784,584	107,085	639,762	746,847
Depreciation, amortisation, impairment	35,011	215,281	250,292	56,505	185,847	242,352
Actuarial losses on police pensions funds – intra group funding	(4,226,100)	4,226,100	0	(751,100)	751,100	0
Interest payments	1,185,209	0	1,185,209	1,170,787	0	1,170,787
(Gain)/Loss on the disposal of assets	9,029	0	9,029	10,678	0	10,678
Total gross expenditure	**(2,866,777)**	**8,430,575**	**5,563,798**	**617,295**	**4,902,052**	**5,519,347**
Income						
Fees and charges and other service income**	(6,080)	(398,238)	(404,318)	(7,926)	(364,455)	(372,381)
Interest and investment income	(16,796)	0	(16,796)	(23,701)	0	(23,701)
Government grants and contributions	(3,641,724)	(981,520)	(4,623,244)	(3,383,855)	(853,042)	(4,236,897)
Total income	**(3,664,600)**	**(1,379,758)**	**(5,044,358)**	**(3,415,482)**	**(1,217,497)**	**(4,632,979)**
Intra group adjustment ***	2,824,717	(2,824,717)	0	2,933,455	(2,933,455)	0
(Surplus) or deficit on provision of services	**(3,706,660)**	**4,226,100**	**519,440**	**135,268**	**751,100**	**886,368**

** £104.6m supplies and services incurred by MOPAC includes costs of working with local communities, victims support and payments by MOPAC of crime prevention grants*
***Includes revenue recognised of £214.2m from contracts with service recipients under IFRS15 (£212.9m 2023/24)*
**** MOPAC payment for MOPAC financial resources consumed at the request of the CPM*

The subjective analysis statement has been split between the Commissioner of Police of the Metropolis (CPM) and MOPAC to separately identify the resources consumed at the request of the Commissioner, from those costs exclusively incurred by the Mayor's Office. Costs exclusively incurred by the Mayor's Office include the day to day costs of administering MOPAC and supporting the Mayor and the Deputy Mayor for Policing And Crime as well as working directly with local communities and the public which includes the payment of Community Grants detailed in the Narrative Report. All grants and income are paid directly to MOPAC. Further details in respect of the resources consumed under the direction of the Commissioner can be found in the CPM's Statement of Accounts.

Within the Group's material contracts with service recipients, performance obligations are satisfied at the point of supply of police officers. Pricing within the contracts is typically based on agreed unit prices of manpower.

8. Police officers and police staff remuneration

8.1 Police and police staff remuneration

The numbers of police officers and staff in the Group whose taxable remuneration, excluding pension contributions, was £50,000 or more are:

Remuneration band £ MOPAC	2024/25 Number of employees exc exit packages	2024/25 Number of employees inc exit packages	2023/24 Number of employees exc exit packages	2023/24 Number of employees inc exit packages
50,000 - 54,999	3,321	3,324	6,087	6,088
55,000 - 59,999	7,487	7,486	6,073	6,074
60,000 - 64,999	5,536	5,536	4,214	4,216
65,000 - 69,999	3,249	3,249	2,861	2,861
70,000 - 74,999	2,484	2,477	2,345	2,345
75,000 - 79,999	2,171	2,171	1,216	1,214
80,000 - 84,999	1,035	1,034	690	691
85,000 - 89,999	655	656	550	550
90,000 - 94,999	471	471	361	360
95,000 - 99,999	362	364	269	269
100,000 - 104,999	290	292	142	142
105,000 - 109,999	124	125	124	124
110,000 - 114,999	82	83	50	51
115,000 - 119,999	59	59	28	29
120,000 - 124,999	41	42	13	13
125,000 -129,999	14	14	7	7
130,000 -134,999	7	7	10	11
135,000 -139,999	6	9	9	9
140,000 -144,999	4	5	7	7
145,000 - 149,999	4	4	5	5
150,000 - 154,999	0	1	4	5
155,000 - 159,999	0	0	2	2
160,000 - 164,999	1	1	2	2
165,000 - 169,999	1	1	1	2
170,000 - 174,999	2	2	0	0
175,000 - 179,999	0	0	0	0
180,000 - 184,999	0	0	0	0
185,000 - 189,999	1	1	0	0
190,000 - 194,999	3	8	0	0
195,000 - 199,999	0	1	0	0
200,000 - 204,999	0	1	0	0
205,000 - 209,999	0	1	0	0
210,000 - 214,999	0	1	0	2
215,000 - 224,999	0	0	0	0
225,000 +	1	3	0	4

The banding scale is based on taxable remuneration, excluding pension costs, paid in the year rather than annual salary. Taxable remuneration includes overtime, compensation for loss of office and may also include back dated pay awards, which relate to previous years but were actually paid in the year in question. In 2023/24 and in 2024/25 backdated pay awards were made to a number of officers following the ruling on overtime payable to CHIS handlers. The numbers in the table above exclude senior staff and relevant police officers as defined below in Note 8.2. In these particular cases, a more detailed analysis of remuneration for 2024/25 is shown on the following pages.

Exit packages

All early departures are reviewed on individual circumstances. See table below for associated exit costs:

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 (£)	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
£0 - £20,000	0	0	14	1	14	1	157,716	19,290
£20,001 - £40,000	0	0	12	1	12	1	331,818	30,000
£40,001 - £60,000	0	0	6	4	6	4	294,899	195,403
£60,001 - £80,000	0	0	8	0	8	0	558,348	0
£80,001 - £100,000	0	0	4	5	4	5	374,485	460,767
£100,001 - £150,000	0	0	9	6	9	6	1,123,154	754,245
£150,001 - £200k+	0	0	2	5	2	5	391,192	1,006,642
	0	0	55	22	55	22	3,231,612	2,466,347

25 of departures in 24/25 is a result of the return of Fleet Management Services

8.2 Relevant police officers and senior staff remuneration

A relevant police officer is defined as the Commissioner or any other senior police officer whose salary is £150,000 per annum or more. Senior staff are defined as individuals whose salary is more than £150,000 per annum, or whose salary is at least £50,000 per annum (to be calculated pro-rata if they are part time) and are either the designated head of service, a statutory chief officer or a non-statutory chief officer, as defined under the Local Government and Housing Act 1989 or any person having responsibility for the management of MOPAC/CPM.

8.3 Relevant police officers and senior staff remuneration* - year ended 31 March 2025

Post holder information (post title)	Name	Notes	Salary (including fees & allowances) (£)	Benefits (£)	Other Payments (£)	Total remuneration excluding pension contributions 2024/25 (£)	Pension contributions (£)	Total remuneration including pension contributions 2024/25 (£)
CPM								
Commissioner	M Rowley		331,526	2,800	0	334,326	0	334,326
Deputy Commissioner	L Owens		275,335	2,800	0	278,135	0	278,135
Assistant Commissioner	L Rolfe	1	143,584	2,800	0	146,384	46,668	193,052
Assistant Commissioner	M Jukes		244,634	2,800	0	247,434	81,118	328,552
Assistant Commissioner	B Gray	2	20,170	2,800	8,573	31,543	0	31,543
Assistant Commissioner	P Mills		244,634	2,800	0	247,434	81,118	328,552
Assistant Commissioner	M Twist		244,634	2,800	0	247,434	81,118	328,552
T/Assistant Commissioner	R Williams	3	201,147	0	0	201,147	55,358	256,505
T/Assistant Commissioner	L Taylor	4	243,667	2,800	0	246,467	80,768	327,235
Deputy Assistant Commissioner	M Horne	5	63,114	2,800	0	65,914	0	65,914
Deputy Assistant Commissioner	S Cundy		201,133	2,800	0	203,933	64,493	268,426
Deputy Assistant Commissioner	H Millichap		197,539	2,800	0	200,339	64,493	264,832
Deputy Assistant Commissioner	A Boon		197,539	2,800	0	200,339	64,493	264,832
Deputy Assistant Commissioner	A Adelekan		197,539	2,800	0	200,339	64,493	264,832
Deputy Assistant Commissioner	A Valentine		215,539	2,800	0	218,339	64,493	282,832
Deputy Assistant Commissioner	M Ward		215,539	2,800	0	218,339	64,493	282,832
Deputy Assistant Commissioner	B Russell	6	167,968	2,800	0	170,768	54,055	224,823
Deputy Assistant Commissioner	J Savell	7	196,759	2,800	0	199,559	64,218	263,777
Deputy Assistant Commissioner	V Evans	8	188,803	0	0	188,803	58,434	247,237
Commander	R Smith	9	171,384	2,800	0	174,184	53,723	227,907
Commander	K Gordon		150,996	2,800	0	153,796	48,064	201,860
Commander	P Brogen		151,951	2,800	0	154,751	48,064	202,815
Commander	K Southworth		150,996	2,800	0	153,796	48,064	201,860
Commander	N John		150,996	2,800	0	153,796	48,064	201,860
Commander	S Cayman		150,996	2,800	0	153,796	48,064	201,860
T/Commander	K Findlay		152,797	2,800	0	155,597	48,064	203,661
Chief People and Resources Officer	C Davies		186,040	2,800	0	188,840	53,896	242,736
Chief Digital Data and Technology	D Scates		195,000	2,800	0	197,800	56,492	254,292
Interim Chief Finance Officer	A Scholes	10	0	0	0	0	0	0
Chief Finance Officer	D Worsley	11	154,500	0	0	154,500	22,894	177,394
Chief Officer Business Services and Engine Room	M Heracleous	12	178,790	2,800	0	181,590	45,735	227,325
Chief Scientific Officer	L Sherman	13	76,613	2,800	0	79,413	19,235	98,648
Chief Strategy and Transformation Officer	A Scott		157,000	0	0	157,000	45,483	202,483
T/Chief Legal Officer	J Leonard		146,341	0	0	146,341	42,395	188,736
Chief Legal Officer	B Welch	14	125,000	0	0	125,000	36,213	161,213
Director of Human Resources	K Graham		156,545	2,333	0	158,878	45,351	204,229
Director of Property Services	S Fihosy		155,129	0	0	155,129	44,941	200,070
Director of Product Delivery	J Hewitt	15	150,000	0	0	150,000	43,455	193,455
Director of Business, Engagement and Technology	A Boyse	16	74,409	0	0	74,409	14,820	89,229

8.3 Relevant police officers and senior staff remuneration* - year ended 31 March 2025

Post holder information (post title)	Name	Notes	Salary (including fees & allowances) (£)	Benefits (£)	Other Payments (£)	Total remuneration excluding pension contributions 2024/25 (£)	Pension contributions (£)	Total remuneration including pension contributions 2024/25 (£)
Director of Platform Delivery	S Akbar	17	92,742	0	0	92,742	26,867	119,609
Director Solution Delivery	M Mcleod	18	145,517	0	0	145,517	39,645	185,162
Director Performance and Insight	L Chiswick	19	149,147	2,800	0	151,947	43,208	195,155
NPCC and other secondees out of the Met								
Assistant Commissioner	G Stephens		249,304	2,800	0	252,104	81,118	333,222
Assistant Commissioner	L Rolfe	1	105,720	0	0	105,720	34,450	140,170
T/Deputy Assistant Commissioner	A Heydari		197,539	2,800	0	200,339	48,064	248,403
Assistant Commissioner	S Kavanagh	20	170,273	0	0	170,273	0	170,273
Assistant Commissioner	A Marsh		189,030	0	0	189,030	0	189,030
Assistant Commissioner	C Haward	21	153,755	0	0	153,755	37,967	191,722
Chief Scientific Officer	P Taylor		145,926	0	0	145,926	40,676	186,602
MOPAC								
Chief Executive Officer	D Luchford	22	43,511	0	103	43,614	12,605	56,219
Interim Chief Executive Officer		23	134,840	0	0	134,840	39,063	173,903
Deputy Mayor for Policing and Crime		24	77,534	0	3,452	80,986	22,462	103,448
Deputy Mayor for Policing and Crime		25	63,245	0	0	63,245	18,322	81,567
Director of Audit, Risk and Assurance		26	138,320	0	0	138,320	39,339	177,659
Director of Strategy and MPS Oversight			135,225	0	0	135,225	39,175	174,400
Director of Commissioning and Partnerships			135,225	0	0	135,225	39,175	174,400
Victims Commissioner			124,288	0	0	124,288	36,006	160,294
Director of Corporate Services and CFO			146,494	0	0	146,494	42,204	188,698
Interim Director of Corporate Services and CFO		27	0	0	0	0	0	0
Chief People Officer			111,619	0	0	111,619	32,336	143,955
Director of Violence Reduction Unit			134,482	0	0	134,482	38,959	173,441
Violence Reduction Unit Director of Strategy and Operations			127,050	0	4,868	131,918	36,806	168,724

***Individuals whose salary is £150,000 or more per annum are required to also be identified by name**

8.3 Relevant police officers and senior staff remuneration - year ended 31 March 2025

1. L Rolfe was Assistant Commissioner with the MPS up to 24 November 2024 when they took a role with the NPCC
2. B Gray retired 30 April 2024
3. R Williams was appointed DAC on 26 May 2024 and then Temp AC on 25 November 2024
4. L Taylor was appointed Temp AC from 8 April 2024
5. M Horne left on 28 July 2024
6. B Russell was appointed DAC on 25 November 2024
7. J Savell was appointed DAC on 30 April 2024
8. V Evans was appointed DAC on 7 May 2024
9. R Smith was temporarily promoted to Temp DAC for the period 24 January 2024 to 24 June 2024
10. A Scholes was Interim Chief Finance Officer until 3 May 2024. They were not salaried and a total payment of £37,500 was made for this period. Unlike remuneration payments made to employees in the table, interims do not receive pensions, benefits, holiday pay and are liable to pay their own employer taxes.
11. D Worsley was appointed CFO on 1/7/24 with an annualized salary of £185,000 and a sector allowance of £21,000
12. M Heracleous was Director of Operational Support Services to 16/9/2024 when they were appointed as Interim Chief People and Resources Officer. They held the interim post until they were temporarily promoted as Chief Officer Business Services and Engine Room on 6/1/2025.
13. L Sherman left on 4 October 2024
14. B Welch was appointed Chief Legal Officer on 1 June 2024 with an annualized salary of £150,000
15. J Hewitt was appointed Director of Product Delivery on 1 April 2024 with an annualized salary of £150,000
16. A Boyse was appointed Director of Business, Engagement and Technology on 14 October 2024 with an annualized salary of £160,000
17. A Akbar was appointed Director of Platform Delivery on 19 August 2024 with an annualized salary of £150,000
18. M Mcleod was appointed Director of Solution Delivery on 1 October 2024 with an annualized salary of £150,000
19. L Chiswick was appointed Director of Performance and Insight on 25 November 2024 with an annualized salary of £156,700
20. S Kavanagh left on 2 January 2025
21. C Haward left on 6 January 2025
22. D Luchford left on 30 June 2024
23. The individual started on 25 June 2024
24. The individual left on 18 October 2024
25. The individual started on 28 October 2024
26. The individual left on 30 April 2025
27. During 24/25 the individual was employed as Interim Director of Corporate Services and CFO until 21/6/2024 to cover maternity leave. They are not salaried and a total payment of £82,722 was made for this period. Unlike remuneration payments made to employees in the table, interims do not receive pensions, benefits, holiday pay and are liable to their own employer taxes.

Additional information

Benefits includes the annual membership of the Chief Police Officers' Staff Association.

Last year the reported salary of the Director of Solution Delivery has not been included in the above table as they left on 1/4/2025 (see Note 8.4 – ref 8)

8.4 Relevant police officers and senior staff remuneration* - year ended 31 March 2024

Post holder information (post title)	Name	Notes	Salary (including fees & allowances) (£)	Benefits (£)	Other Payments (£)	Total remuneration excluding pension contributions 2023/24 (£)	Pension contributions (£)	Total remuneration including pension contributions 2023/24 (£)
CPM								
Commissioner	M Rowley		314,025	2,900	0	316,925	0	316,925
Deputy Commissioner	L Owens		260,842	2,900	0	263,742	0	263,742
Assistant Commissioner	N Ephgrave	1	4,609	0	0	4,609	1,080	5,689
Assistant Commissioner	L Rolfe		241,463	2,900	0	244,363	67,426	311,789
Assistant Commissioner	M Jukes		239,842	2,900	0	242,742	67,426	310,168
Assistant Commissioner	B Gray		250,342	2,900	0	253,242	0	253,242
Assistant Commissioner	P Mills	2	107,440	0	40,000	147,440	30,558	177,998
Assistant Commissioner	M Twist		232,333	2,900	0	235,233	61,224	296,457
Deputy Assistant Commissioner	L Taylor		182,717	2,900	0	185,617	52,042	237,659
Deputy Assistant Commissioner	M Horne		186,311	2,900	0	189,211	0	189,211
Deputy Assistant Commissioner	S Cundy		186,311	2,900	0	189,211	52,042	241,253
Deputy Assistant Commissioner	B Javid	3	108,566	2,900	15,218	126,684	0	126,684
Deputy Assistant Commissioner	H Millichap		182,717	2,900	0	185,617	52,042	237,659
Deputy Assistant Commissioner	A Boon		182,717	2,900	0	185,617	52,042	237,659
Deputy Assistant Commissioner	A Adelekan		182,936	2,900	0	185,836	52,110	237,946
Deputy Assistant Commissioner	T Jacques	4	186,542	2,900	0	189,442	43,433	232,875
Deputy Assistant Commissioner	A Valentine	5	203,705	2,900	0	206,605	52,640	259,245
Deputy Assistant Commissioner	M Ward	6	192,089	2,900	0	194,989	49,820	244,809
Chief People and Resources Officer	C Davies		178,290	2,900	0	181,190	54,022	235,212
Chief Digital Data and Technology	D Scates		191,473	0	0	191,473	54,690	246,163
Director of Service Delivery	A Blatchford	7	158,597	0	105,845	264,442	37,426	301,868
Director of Solution Delivery	D Pitty	8	166,236	0	0	166,236	38,856	205,092
Interim Chief Finance Officer	A Scholes	9	0	0	0	0	0	0
Director of Finance	I Percival	10	143,798	0	262,721	406,519	42,056	448,575
Director of Operational Support Services	M Heracleous		160,436	2,900	0	163,336	44,302	207,638
Director of Communications and Engagement	P Stuart-Lacey	11	12,917	0	119,413	132,330	3,788	136,118
Chief Scientific Officer	L Sherman		145,161	2,900	0	148,061	38,119	186,180
Director of Transformation	M Thorp	12	153,270	0	0	153,270	39,169	192,439
Chief Strategy and Transformation Officer	A Scott	13	77,656	0	0	77,656	23,530	101,186
Chief Legal Officer	S Bramley	14	119,941	2,417	0	122,358	36,342	158,700
T/Chief Legal Officer	J Leonard	15	144,262	0	0	144,262	43,711	187,973
Director of Human Resources	K Graham		150,577	0	0	150,577	45,625	196,202
Director of Property Services	S Fihosy		150,487	0	0	150,487	45,598	196,085
NPCC and other secondees out of the Met						0		0
Assistant Commissioner	M Hewitt	16	3,790	0	32,047	35,837	1,080	36,917
Assistant Commissioner	G Stephens	17	236,987	2,900	0	239,887	67,426	307,313
Assistant Commissioner	S Kavanagh		214,697	0	0	214,697	0	214,697
T/Deputy Assistant Commissioner	A Heydari	18	168,610	2,900	0	171,510	39,951	211,461

8.4 Relevant police officers and senior staff remuneration* - year ended 31 March 2024

Post holder information (post title)	Name	Notes	Salary (including fees & allowances) (£)	Benefits (£)	Other Payments (£)	Total remuneration excluding pension contributions 2023/24 (£)	Pension contributions (£)	Total remuneration including pension contributions 2023/24 (£)
Assistant Commissioner	A Marsh		178,919	0	0	178,919	0	178,919
T/Deputy Assistant Commissioner	N Jerome	19	59,425	2,900	0	62,325	0	62,325
Assistant Commissioner	S Jupp	20	122,305	2,900	0	125,205	0	125,205
Assistant Commissioner	C Haward	21	14,809	0	0	14,809	4,244	19,053
Programme Director, Productivity Review	S House	22	115,941	2,900	0	118,841	2,230	121,071
MOPAC								
Chief Executive Officer	D Luchford	23	171,341	0	0	171,341	51,613	222,954
Deputy Mayor for Policing And Crime		24	142,386	0	0	142,386	42,840	185,226
Director of Audit, Risk and Assurance			132,516	0	0	132,516	39,849	172,365
Director of Strategy and MPS Oversight			131,968	0	0	131,968	39,683	171,651
Director of Partnerships and Commissioning			131,968	0	0	131,968	39,683	171,651
Victims Commissioner			122,967	0	0	122,967	36,956	159,923
Director of Corporate Services and CFO			143,882	0	0	143,882	43,293	187,175
Interim Director of Corporate Services and CFO		25	0	0	0	0	0	0
Chief People Officer			106,005	0	0	106,005	31,817	137,822
Director of Violence Reduction Unit			131,765	0	0	131,765	39,465	171,230
Violence Reduction Unit Director of Strategy and Operations			121,148	0	0	121,148	37,284	158,432

***Individuals whose salary is £150,000 or more per annum are required to also be identified by name**

8.4 Relevant police officers and senior staff remuneration - year ended 31 March 2024

1. N Ephgrave left on 6 April 2023
2. P Mills was appointed AC on 23 October 2023 with an annualised salary of £220,713
3. B Javid left on 5 November 2023
4. T Jacques left on 2 February 2024
5. A Valentine joined the MPS on 20 March 2023 and they were temporarily promoted to DAC on 16 April 2023 with an annualised salary of £158,595
6. M Ward was appointed DAC on 17 April 2023 with an annualised salary of £158,595
7. A Blatchford left on 31 March 2024
8. D Pitty left on 1 April 2025
9. A Scholes was appointed as interim Chief Finance Officer from 24/07/2023. They were not salaried and a total payment of £192,218 was made for this period. Unlike remuneration payments made to employees in the table, interims do not receive pensions, benefits, holiday pay and are liable to pay their own employer taxes. They left on 3 May 2024
10. I Percival was acting CFO until 23 July 2023. They held the post of Director of Finance until their departure 30 April 2024
11. P Stuart-Lacey left on 30 April 2023
12. M Thorp was appointed T/Director of Strategy and Data on 1 November 2022 until 7 November 2023 and had an annualized salary of £150,000
13. A Scott joined on 3 October 2023 with an annualised salary of £157,000
14. S Bramley left on 31 December 2023
15. J Leonard was appointed Temporary Chief Legal Officer on 27 November 2023 with an annualised salary of £153,403
16. M Hewitt left on 6 April 2023
17. G Stephens was appointed Assistant Commissioner on 1 April 2023
18. A Heydari held the post of Commander until their appointment to T/DAC on 21 August 2023
19. N Jerome left on 30 July 2023
20. S Jupp left on 3 December 2023
21. C Haward was appointed Assistant Commissioner on 4 March 2024
22. S House left on 3 October 2023
23. D Luchford left on 30 June 2024
24. The individual left on 18 October 2024
25. The individual was employed as Interim Director of Corporate Services and CFO from 1/9/23 to 24/6/24 to cover maternity leave. They were not salaried and a total payment of £209,371 was made for this period. Unlike remuneration payments made to employees in the table, interims do not receive pensions, benefits, holiday pay and are liable to pay their own employer taxes.

Additional information
Benefits includes the annual membership of the Chief Police Officers' Staff Association.

9. Related party transactions

IAS 24 (Related Party Transactions) requires the Group to disclose all material transactions with related parties, that is bodies or individuals that have the potential to influence the Group or to be controlled or influenced by key individuals of the Group including the Mayor and Deputy Mayor, the Commissioner, members of the MOPAC Senior Management Team, and MPS Management Board. Disclosure of these transactions allows readers to assess the extent to which the Group might have been constrained in its ability to operate independently, or might have secured the ability to limit another party's ability to bargain freely with the Group. This disclosure note has been prepared on the basis of specific declarations obtained for the year ended 31 March 2024, in respect of related party transactions.

CPM and MOPAC

The primary function of MOPAC is to secure the maintenance of an efficient and effective Metropolitan Police Service in London and to hold the CPM to account for the exercise of operational policing duties under the Police Act 1996. MOPAC is responsible for setting the Police and Crime Plan. Whilst the Commissioner is operationally independent and receives an annual budget, MOPAC is responsible for financial administration within the Group. The CPM holds no reserves or cash balances and assets. All payments for the Group are made by MOPAC from the MOPAC Police Fund and all funding and income is received by MOPAC. The CPM is dependent on MOPAC to discharge any liabilities, for instance to administer police pensions or settle future obligations. More information can be found on this relationship in Note 6.

Central Government and other public bodies

Central Government has a significant influence over the general operations of the Group. It is responsible for providing the statutory framework within which the Group operates as well as providing a substantial part of its funding in the form of grants and prescribes the terms of many of the transactions that the Group has with other parties. Grants received from Central Government are set out in the subjective analysis in Note 14 and Note 15:

Greater London Authority

The MOPAC Group is one of the functional bodies of the Greater London Authority (GLA), the other bodies being the London Fire Commissioner, which replaced the London Fire and Emergency Planning Authority on 1 April 2018, Transport for London, Old Oak and Park Royal Development Corporation and the London Legacy Development Corporation.

The Mayor sets MOPAC's budget, including the precept for the GLA. The London Assembly approves MOPAC's budget for the police and may amend the precept for the GLA. In addition, Section 32 of the Police Reform and Social Responsibility Act 2011 requires the GLA London Assembly to establish a committee called the 'Police and Crime Committee' to exercise functions in relation to scrutiny of MOPAC. The Committee's responsibilities include reviewing the draft Police and Crime Plan and scrutiny of particular decisions made or actions taken by MOPAC in the discharge of its responsibilities. Monies received from the GLA in the form of grants and precepts are disclosed in Note 14.

The net receipts from Transport for London were £122.581 million in 2024/25 (£127.363 million 2023-24).

The net expenditure with the London Fire Commissioner was £0.041 million in 2024/25 (£0.480 million in 2023/24).

The net receipts from Old Oak and Park Royal Development were £0.035 million in 2024/25 (£0.035 million in 2023/24).

The net receipts from London Legacy Development Corporation were £0.058 million in 2024/25 (£0.058 million in 2023/24).

Other bodies

Police Now was established in January 2016 to run the National Graduate Leadership Development Programme. MOPAC spent £1.012 million in 2024/25. The former Assistant Commissioner of Frontline Policing is a Board member.

MOPAC is the member of, and the sole owner of, the Police Crime Prevention Initiatives' Ltd (PCPI) which is a company limited by guarantee without share capital. The MOPAC Head of Operational Oversight is director of the Company and has influence over the operation and running of the company. Police Crime Prevention Initiatives main operation is through 'secure by design' which supports the principles of 'designing out crime' through physical security and processes. MOPAC spent £0.192 million, and owes £0.002 million, with Police Crime Prevention Initiatives Ltd in 2024/25. Police Crime Prevention Initiatives is not for profit company, run for the national good with all money made supporting crime prevention. MOPAC does not receive any financial benefit from this company.

The MOPAC Group administers a number of charities on behalf of third parties. Full details of the charities and their purpose are disclosed in Note 24. The former Assistant Commissioner of Frontline Policing was a Trustee of the Metropolitan Police Sports Fund. In 2024/25 the MOPAC Group paid £35k (£36k in 2023/24) to the MPS Sports Fund. The Director of Human Resources and the Chief Legal Officer are Trustees of the Metropolitan Police Staff Welfare Fund. In 2024/25 the MOPAC Group paid £12k (£12k in 2023/24) to the MPS Staff Welfare Fund. The Director of Human Resources assumed the role of Trustee previously held by the Chief People and Resources Officer in 2024/25.

10. Auditors' remuneration

The audit fee payable to Grant Thornton UK LLP during the year totalled £682,552 (£629,779 in 2023/24) for the Group, of which £370,073 related to MOPAC and £312,479 related to the CPM (£340,125 for MOPAC in 2023/24, £289,654 for CPM).

11. Interest payable and similar charges

Interest paid in 2024/25 and 2023/24 is as follows:

£000	2024/25	2023/24
Public Work Loans Board	16,694	15,773
PFI and finance lease	8,899	10,571
Other interest cost	656	123
Total	**26,249**	**26,467**

12. Pension costs

As part of the terms and conditions of employment the Group offers retirement benefits for Police Officers and Police Staff.

12.1 Police officers’

The pension scheme for police officers, the Police Pension Scheme 2015, is an unfunded, defined benefit scheme. An unfunded, defined benefit scheme has no investment assets to meet its pension liability and must generate cash to meet the actual pension payments as they fall due. These benefits payable are funded by contributions from employers and police officers and as a rule any shortfall is met by a top up grant from the Home Office, as was the case in 2024/25. The Group pays employer contributions at a rate of 31% of pensionable salary into the Fund. Further details of the schemes can be found in the Police Officer Pension Fund Accounts.

The Commissioner is the administering body under the Police Reform and Social Responsibility Act 2011. The Police Officer Pension Fund’s Financial Statements and notes are included on Pages 72-74 of this document.

The principal risks of the schemes relate to the longevity assumptions, statutory changes to the schemes, changes to inflation and to bond yields. These are mitigated by the statutory requirements to charge to the General Reserves the amounts required by statute as described in the accounting policies Note 2.7 on post employment benefits.

Due to the accounting for the top up grant from the Home Office as a credit against the gross current service cost debited to the Comprehensive Income and Expenditure statement, and timing differences regarding the data used by the actuary in the IAS 19 actuarial calculations of service cost, the service cost in the table below does not reconcile to the net police officer pensions line in note 7.3.

Police officers’ pensions income and expenditure

£000	2024/25	2023/24
Comprehensive Income and Expenditure Statement		
Cost of Services:		
Service cost comprising:		
Current Service Cost	269,700	310,000
Past service cost	1,300	1,100
Transfers in/(out)	2,000	1,900
Actuarial loss/(gain) - injury pensions	(191,500)	(38,200)
Financing and Investment Income and Expenditure		
Interest Expense	1,159,100	1,144,400
Total Post Employment Benefits charged to the Surplus or Deficit on the Provision of Services	**1,240,600**	**1,419,200**
Re-measurement of the defined benefit liability comprising:		
Actuarial loss/(gain) arising on changes in demographic assumptions - excluding injury pensions	(286,700)	(120,600)
Actuarial loss/(gain) arising on changes in financial and other assumptions - excluding injury pensions	(3,939,400)	(630,500)
Total Post Employment Benefits charged to the Comprehensive Income and Expenditure Statement	**(4,226,100)**	**(751,100)**
Movement in Reserves Statement (MIRS)		

Reversal of charges made to Surplus or Deficit on the Provision of Services for post employment benefits	(1,240,600)	(1,419,200)
Actual amount charged against the General Reserves Balance for pensions in the year - Pension Costs	874,700	812,400

The Table above shows the transactions have been made in the Group CIES and the General Reserves Balance via the Group MIRS during the year as described more fully in Note 6. The following police pension costs are recognised in the CPM Accounts in the first instance:

- Current/past service costs, past service gains and the actuarial loss/(gain) have been produced by actuaries;
- Transfers in/(out) are in respect of monies received/paid from/to other authorities in respect of Officers who have either joined or left the Group;
- Interest on pension liability represents the expected increase during the year in the present value of the scheme liabilities because the benefits are one year closer to settlement.

Police injury pensions are considered to be a cost to the service and as such the gains/loss on this type of pension has been incorporated in the Net Cost of Policing Services together with other related charges (see below for analysis of movements on liabilities for the funds).

Police officers' contributions to the schemes amounted to £199.2 million in the year ended 31 March 2025. In the year ended 31 March 2025, employer pension contributions have been charged to the revenue account on the basis of pensions payable in the year and totalled £824.7 million. In the year to 31 March 2025 the net costs of pensions and other benefits amounted to £828.5 million, representing 53.8% of pensionable pay.

Assets and liabilities in relation to retirement benefits

In accordance with IAS 19 requirements, the total liability of the Police Officer Pension Fund is included in the Balance Sheet. Although these will not actually be payable until officers retire, the Group has a commitment to make the payments that need to be disclosed at the time that officers earn their future entitlement. The Group had the following overall liabilities for pensions at 31 March 2025 that have been included in the Balance Sheet:

£ million	2024/25	2023/24
Officer members	(6,607)	(7,935)
Deferred pensioners	(1,047)	(1,291)
Pensioners	(11,824)	(13,956)
Injury pensions	(860)	(1,016)
Total value of scheme liabilities	**(20,338)**	**(24,198)**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. Hymans Robertson LLP, an independent firm of actuaries, has assessed the scheme liabilities as at 31 March 2025. The movement in the present value of the scheme liabilities for the year to 31 March 2025 can be reconciled as follows:

£ million	Excluding injury benefits 2024/25	Excluding injury benefits 2023/24	Injury benefits only 2024/25	Injury benefits only 2023/24
Scheme liabilities at 1 April	**(23,182)**	**(23,327)**	**(1,016)**	**(1,016)**
Current service cost including Home Office contribution.	(249)	(286)	(22)	(24)
Officer contributions	(193)	(185)	0	0

Benefits paid	1,032	964	0	0
Injury award expenditure	0	0	36	34
Transfers from / to other authorities	(2)	(2)	0	0
Past service cost (injury benefits)	(1)	(1)	0	0
Interest cost on pension liabilities.	(1,110)	(1,097)	(49)	(48)
Re-measurement gains and losses:				
Actuarial (loss)/gain arising on changes in demographic assumptions	287	121	13	5
Actuarial (loss)/(gain arising on changes in financial assumptions	3,779	1,283	171	61
Other Experience	161	(652)	7	(28)
Scheme liabilities at 31 March	**(19,478)**	**(23,182)**	**(860)**	**(1,016)**

Actuarial assumptions

The value of the liabilities for IAS 19 purposes is dependent on assumptions made by the Scheme's actuaries, Hymans Robertson LLP. The financial assumptions reflect market expectations at the reporting date. Changes in market conditions that result in changes in the net discount rate (essentially the difference between the discount rate and the assumed rates of increase of salaries, deferred pension revaluation or pension-in-payment), can have a significant effect on the value of the liabilities reported. A reduction in the net discount rate will increase the assessed value of liabilities as a higher value is placed on benefits paid in the future. A rise in the net discount rate will have an opposite effect of similar magnitude. The effect of a change in the net discount rate on the value placed on the liabilities of each scheme is shown in the sensitivity analysis schedule below. During 24/25 the main factor driving the decrease in the value of the liability was the increase in the discount rate.

There is also uncertainty around the life expectancy of the UK population. The value of current and future pension benefits will also depend on the life expectancy of the officers and dependents. The disclosures have been prepared using mortality assumptions of 105% of the S3NFA and S3NMA "year of birth" tables with future improvements based on the CMI 2022 model with a long term rate of improvement of 1.5% per annum.

The significant actuarial assumptions used in their calculations are:

Assumptions	**All Schemes 2024/25**	**All Schemes 2023/24**
CARE revaluation rate	4.00%	4.00%
Rate of increase of salary (note i)	3.10%	3.10%
Rate of increase in pensions	2.75%	2.75%
Rate for discounting scheme liabilities (note ii)	5.80%	4.85%

i. Future salary increases are assumed to be within an acceptable range;
ii. The current discount rate is based on current rate of return available on high quality corporate bonds of equivalent currency and term to the scheme liabilities.

Mortality

Life expectancy is based on actuarial tables with future improvement in line with the CMI 2022 model with a long term rate of improvement of 1.5% per annum. The actuarial mortality rate assumptions used in their calculations are:

Mortality rate	**Males 2024/25**	**Males 2023/24**	**Females 2024/25**	**Females 2023/24**
Current pensioners	26.3 years	26.5 years	29.2 years	29.4 years
Future pensioners*	28.1 years	27.9 years	30.5 years	30.7 years

*Future pensioners are assumed to be aged 45 at 31 March 2025.

Sensitivity analysis
The estimation of the defined benefit obligation is sensitive to the actuarial assumptions set out above. The sensitivity analyses below have been determined based on reasonably possible changes to the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis are consistent with those used in the previous period.

The sensitivities regarding the significant assumptions used to measure the scheme liabilities are set out below:

Financial assumptions	Approximate % increase to employer liability		Approximate monetary amount (£000)	
	2024/25	2023/24	2023/24	2023/24
0.5% decrease in real discount rate	10%	10%	2,006,140	2,431,220
1 year increase in member life expectancy	3%	3%	610,140	725,950
0.5% increase in the salary increase rate	1%	1%	74,450	114,820
0.5% increase in the pension increase rate (CPI)	8%	8%	1,596,750	1,902,340

An estimate of contributions expected to be paid to the scheme for the future financial year:

£ million	2024/25	2023/24
Projected current service cost	143	268
Interest on obligation	1,158	1,161
Total	**1,301**	**1,429**

The weighted average duration of the defined benefit obligation is:

Weighted average duration	2024/25	2023/24
Active members	27.5 Years	28.2 Years
Deferred pensioners	25.8 Years	25.8 Years
Pensioners	13.2 Years	13.2 Years
Injury pensions	18.7 Years	19.0 Years

Guaranteed Minimum Pension
In respect of Guaranteed Minimum Pension, the actuary has only allowed for Guaranteed Minimum Pension full indexation for active members. No adjustment has been made for pensioners and deferred members. Given the inherent uncertainty surrounding the calculations, MPS have deemed that this is a reasonable approach and would not lead to a material adjustment to the pension liability.

12.2 Police staff

The Civil Service pension scheme is an unfunded multi-employer defined benefit scheme (see accounting policies Note 2.7 for details of membership). The Group is unable to identify its share of the underlying assets and liabilities with the result that under IAS 19 the scheme is accounted for as a defined contribution scheme with the cost of pension contributions into the scheme recognised in the Accounts but no share of scheme assets or liabilities recognised on the Balance Sheet.

A full actuarial valuation was carried out at 31 March 2020. More information can be found in the Cabinet Office: Civil Superannuation Accounts:
https://www.civilservicepensionscheme.org.uk/about-us/resource-accounts/)

For the year ended 31 March 2025, employer's contributions of £168.7 million were payable to the PCSPS at 28.97% of pensionable pay. The Group is not liable for any other entities' obligations under the plan.

13. Other operating expenditure

13.1 Gains and losses on disposal of non-current assets

The following gains and losses were made on disposal of property (land and building), plant and equipment:

£000	2024/25 Property	2024/25 Plant and Equipment	2024/25 Total	2023/24 Property	2023/24 Plant and Equipment	2023/24 Total
Losses	6,876	3,017	9,893	8,909	1,954	10,863
Gains	(13)	(851)	(864)	0	(185)	(185)
Net (gain)/loss	**6,863**	**2,166**	**9,029**	**8,909**	**1,769**	**10,678**

The gains and losses on disposal of assets, as disclosed above, exclude all minor proceeds below £10,000 from the sale of vehicles that have reached the end of their useful economic life.

14. Non-specific grant income

The Greater London Authority precepts London Boroughs for Council Tax and receives Police Formula Grant, Police Revenue Grant and Council Tax Support Grant directly from central government. The central funding allocated and the police precept for the year ended 31 March 2025 was:

£000	2024/25	2023/24
Retained Business Rates	(134,356)	(94,792)
Formula Grant	(925,608)	(906,977)
Police Precept	(1,013,895)	(902,427)
Police Revenue Grant	(1,356,376)	(1,257,685)
Council Tax Support	(119,676)	(119,676)
Total	**(3,549,911)**	**(3,281,557)**

14.1 Capital grants

The Group recognises capital grants through the CIES when conditions attached to them have been met or where no conditions have been attached.

£000	2024/25	2023/24
Capital grants	**(53,904)**	**(61,203)**

15. Specific grants

The Group received the following grants for specific operational activities:

£000	2024/25	2023/24
Home Office - Counter Terrorism	(407,216)	(394,584)
Home Office - CT Protective Security Grant	(212,143)	(199,260)
Ministry of Justice - Victim Services	(17,001)	(22,765)
Home Office – Specific Operational Projects	(374,336)	(269,186)
Miscellaneous grants	0	(1)
Partnership Funding	(8,732)	(8,341)
Total	**(1,019,428)**	**(894,137)**

16. Group and MOPAC non current assets at 31 March 2025

£000	Property	Plant and equipment	Assets under construction	Surplus Assets	Total Property, Plant & Equip	Heritage assets	Investment properties	Intangible assets	Sub total	Right of Use Assets	Total
Cost or valuation at 1 April 2024	**1,837,078**	**779,312**	**485,851**	**48,430**	**3,150,671**	**1,355**	**2,840**	**5,735**	**3,160,601**	**0**	**3,160,601**
Reclassifications (transfers)	(121,970)	85,635	(142,396)	0	(178,731)	0	0	0	**(178,731)**	**178,731**	**0**
Assets reclassified (to)/from held for sale	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Additions	3,413	27,733	261,141	0	292,287	0	0	0	**292,287**	46,129	**338,416**
Disposals	(6,876)	(119,292)	63	0	(126,105)	0	0	(5,470)	**(131,575)**	**0**	**(131,575)**
Impairment	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Revaluation movements through CIES	(45,947)	0	0	0	(45,947)	0	140	0	**(45,807)**	**89,802**	**43,995**
Revaluation movements in reserves	(26,069)	0	0	0	(26,069)	0	0	0	**(26,069)**	**(117,264)**	**(143,333)**
Cost or valuation at 31 March 2025	**1,639,629**	**773,388**	**604,659**	**48,430**	**3,066,106**	**1,355**	**2,980**	**265**	**3,070,706**	**197,398**	**3,268,104**
Depreciation at 1 April 2024	**(89,638)**	**(331,595)**	**0**	**(426)**	**(421,659)**	**(39)**	**0**	**(5,719)**	**(427,417)**	**0**	**(427,417)**
Depreciation/amortisation for the year	(54,235)	(124,335)	0	(1,768)	(180,338)	0	0	(7)	**(180,345)**	**(34,936)**	**(215,281)**
Depreciation written out on valuation to the Revaluation Reserve	14,150	18,834	0	1,585	34,569	0	0	0	**34,569**	**15,641**	**50,210**
Depreciation on assets sold	0	116,620	0	0	116,620	0	0	5,470	**122,090**	**0**	**122,090**
Depreciation written out on revaluation recognised in the CIES	17,416	(33)	0	0	17,383	0	0	0	**17,383**	**5,333**	**22,716**
Depreciation on assets held for sale	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Reclassification/transfers	20,974	0	0	0	20,974	0	0	0	**20,974**	**(20,974)**	**0**
Depreciation at 31 March 2025	**(91,333)**	**(320,509)**	**0**	**(609)**	**(412,451)**	**(39)**	**0**	**(256)**	**(412,746)**	**(34,936)**	**(447,682)**
Net Book Value at 31 March 2025	**1,548,296**	**452,879**	**604,659**	**47,821**	**2,653,655**	**1,316**	**2,980**	**9**	**2,657,960**	**162,462**	**2,820,422**
Net Book Value at 31 March 2024	**1,747,440**	**447,717**	**485,851**	**48,004**	**2,729,012**	**1,316**	**2,840**	**16**	**2,733,184**	**0**	**2,733,184**

16. Group and MOPAC non current assets at 31 March 2024

£000	Property	Plant and equipment	Assets under construction	Surplus Assets	Total Property, Plant & Equip Sub total	Heritage assets	Investment properties	Intangible assets	Sub total	Right of Use Assets	Total
Cost or valuation at 1 April 2023	**1,886,047**	**672,092**	**485,707**	**0**	**3,043,846**	**1,319**	**2,760**	**5,735**	**3,053,660**	**0**	**3,053,660**
Reclassifications (transfers)	52,852	160,763	(262,081)	48,430	(36)	36	0	0	**0**	**0**	**0**
Assets reclassified (to)/from held for sale	3,894	(1,081)	0	0	2,813	0	0	0	**2,813**	**0**	**2,813**
Additions	3	43,255	262,225	0	305,483	0	0	0	**305,483**	**0**	**305,483**
Disposals	(421)	(95,717)	0	0	(96,138)	0	0		**(96,138)**	**0**	**(96,138)**
Impairment	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Revaluation movements through CIES	(72,645)	0	0	0	(72,645)	0	80	0	**(72,565)**	**0**	**(72,565)**
Revaluation movements in reserves	(32,652)	0	0	0	(32,652)	0	0	0	**(32,652)**	**0**	**(32,652)**
Cost or valuation at 31 March 2024	**1,837,078**	**779,312**	**485,851**	**48,430**	**3,150,671**	**1,355**	**2,840**	**5,735**	**3,160,601**	**0**	**3,160,601**
Depreciation at 1 April 2023	**(69,476)**	**(365,345)**	**0**	**0**	**(434,821)**	**(11)**	**0**	**(5,733)**	**(440,565)**	**0**	**(440,565)**
Depreciation/amortisation for the year	(77,348)	(108,347)	0	(145)	(185,840)	0	0	(6)	**(185,846)**	**0**	**(185,846)**
Depreciation written out on valuation to the Revaluation Reserve	40,623	47,416	0	0	88,039	8	0	20	**88,067**	**0**	**88,067**
Depreciation on assets sold	171	93,812	0	0	93,983	0	0	0	**93,983**	**0**	**93,983**
Depreciation written out on revaluation recognised in the CIES	16,140	0	0	0	16,140	0	0	0	**16,140**	**0**	**16,140**
Depreciation on assets held for sale	(29)	833	0	0	804	0	0	0	**804**	**0**	**804**
Reclassification/transfers	281	36	0	(281)	36	(36)	0	0	**0**	**0**	**0**
Depreciation at 31 March 2024	**(89,638)**	**(331,595)**	**0**	**(426)**	**(421,659)**	**(39)**	**0**	**(5,719)**	**(427,417)**	**0**	**(427,417)**
Net Book Value at 31 March 2024	**1,747,440**	**447,717**	**485,851**	**48,004**	**2,729,012**	**1,316**	**2,840**	**16**	**2,733,184**	**0**	**2,733,184**
Net Book Value at 31 March 2023	**1,816,571**	**306,747**	**485,707**	**0**	**2,609,025**	**1,308**	**2,760**	**2**	**2,613,095**	**0**	**2,613,095**

16.1 Basis of valuation

MOPAC's operational property was revalued as at 30 September 2024 as a part of the revaluation programme. For the revaluation programme 20% of the assets are physically inspected as well as the top 20 properties by value. The remaining 80% are revalued on a desktop basis. This approach is part of a rolling programme of revaluations that is conducted by Avison Young (member of the Royal Institute of Chartered Surveyors) ensuring that all operational land and buildings within the estate are subject to inspection and revaluation at least once every five years.

The residential and investment property portfolios were also revalued as at 31 March 2025 as a part of the revaluation programme. Again 20% of the assets are physically inspected each year whilst 80% are revalued on a desktop basis. This rolling programme of residential revaluations is performed by Avison Young ensuring that all of the residential properties are subject to inspection and revaluation at least once every five years.

The information provided by MOPAC to the valuers and the assumptions and valuations made by the valuers are reviewed by the Property Services Team throughout the valuation process.

Investment properties and surplus assets were revalued as at 30 September 2024 using the IFRS 13 Fair Value market approach. The IFRS 13 Fair Value market approach uses prices and other relevant information (inputs) generated by market transactions involving similar properties and applies the valuer's professional judgment in accordance with the RICS Valuation - Professional Standards 2014 published by the Royal Institution of Chartered Surveyors.

The IFRS 13 on Fair Value includes a fair value hierarchy that categorises the inputs to valuation techniques used to measure fair value into three (input) levels:

Level 1: Observable quoted prices, in active markets;

Level 2: Quoted prices are not available but fair value is based on observable market data;

Level 3: Unobservable inputs.

London property market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant; hence the valuations of the investment portfolio have been categorized as Level 2 inputs in the fair value hierarchy.

At 31 March 2025 the group carrying value of investment properties was £3.0 million, (2023/24 £2.8 million).

The Group's policy is to recognise transfers within fair value hierarchy levels at the valuation date or the date of event or change in circumstance that caused the transfer. There have been no transfers during the period.

Buildings under construction and other property works are valued on the basis of the associated land value plus the cumulative construction costs incurred at 31 March 2025.

Short life assets such as vehicles, plant, furniture and equipment are included at net depreciation cost. Heritage assets have been included in the Balance Sheet following valuations placed on them by internal and external valuers. These consist of pictures, medals, vehicles, furniture and museum pieces, which are at present in long-term storage, which have been gifted over many years.

During the year, transfers of £142 million were made for those assets under construction, which were completed and became operating assets.

16.2 Impairment

Management has considered the condition of Non-Current Assets and concluded that there is no indication that any material impairment is needed to be recognised for this financial year.

16.3 Capital Financing Requirement

The total amount of capital expenditure incurred 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 Group, the expenditure results in an increase in the Capital Financing Requirement, a measure of the capital expenditure incurred historically by MOPAC that has yet to be financed.

£000	2024/25	2023/24
Opening Capital Financing Requirement	**1,137,914**	**981,667**
Capital Investment		
Right of Use Assets	149,769	0
Property	3,413	3
Plant and equipment	27,733	43,255
Intangible assets	0	0
Assets under construction	261,141	262,225
Investment properties	0	0
Sources of finance		
Capital receipts	(728)	(8,959)
Government grants and other contributions	(53,904)	(61,203)
Sums set aside from revenue:		
Direct revenue contributions	(9,634)	(12,884)
Minimum Revenue Provision	(108,061)	(66,190)
Closing Capital Financing Requirement	**1,407,643**	**1,137,914**
Explanation of movements in year		
(Decrease)/increase in underlying need to borrow (supported by government financial assistance)	(8,877)	(9,247)
(Decrease)/Increase in underlying need to borrow (unsupported by government financial assistance)	202,580	170,095
(Decrease)/increase in underlying need to borrow for PFI and Finance Lease assets	(27,614)	(4,601)
Increase in Capital Financing Requirement	**166,089**	**156,247**

The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, as amended by the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008, require MOPAC to charge to the MIRS a prudent level of Minimum Revenue Provision (MRP) for the redemption of debt. For the year ended 31 March 2025 MOPAC has made an MRP charge based on:

- the capital financing requirement method for all borrowing prior to 1 April 2008 and for any borrowing supported through the revenue grant settlement since 1 April 2008, and
- the asset life method for all unsupported borrowing undertaken since 1 April 2008 as permitted by the flexibilities provided under the Prudential Code.

16.4 PFI assets

These assets form part of the Property category within Note 16. There are two PFI contracts which together constitute the Group's PFI assets. One is for the provision of a firearms training facility and public order training facility, including the provision of all necessary structures, accommodation, support services and equipment. The Agreement is for a period of 25 years commencing January 2003 and includes for a price review of defined services every 5 years. At the end of the 25 year period the facility will be handed to the Group with the obligation of the Contractor to leave the training facility in 'working order'.

The other PFI contract is for the provision of four police stations across south east London including the provision of all necessary structures, office accommodation, support services and equipment. The Agreement is for a period of 25 years commencing January 2004 and provides for a price review of defined services every 5 years. At the end of the 25 year period the stations will be returned to the operator at no cost, or new leases could be negotiated.

The table below shows the value of training establishment and police station PFIs which are included in MOPAC Balance Sheet broken down by movements in year.

£000	2024/25	2023/24
Balance as at 1 April	**158,042**	**170,274**
Additions	0	0
Depreciation for year	(37,466)	(23,992)
Redundant depreciation	20,350	20,468
Transfer from work in progress	11,160	129
Revaluation movement	(44,246)	(8,837)
Balance as at 31 March	**107,840**	**158,042**

16.5 Payment analysis

The PFI agreements impose 25 year commitments on the Group from occupation and use of the facilities from 2003 and 2004. The unitary payments to be made under the PFI contracts as at 31 March 2025 are shown below. PFI liabilities are shown in Note 25.1

Payment Analysis 2024/25

£000	Liability	Interest	Service charge	Total
Within 1 year	21,907	5,502	12,540	39,949
2 to 5 years	68,622	6,623	34,437	109,682
6 to 10 years	0	0	0	0
11 to 15 years	0	0	0	0
Total	**90,529**	**12,125**	**46,977**	**149,631**

Payment Analysis 2023/24

£000	Liability	Interest	Service charge	Total
Within 1 year	7,433	10,867	21,557	39,857
2 to 5 years	35,621	41,929	83,125	160,675
6 to 10 years	559	608	1,488	2,655
11 to 15 years	0	0	0	0
Total	**43,613**	**53,404**	**106,170**	**203,187**

16.6 Leases

MOPAC as lessee

In 2024/25 the Group applied IFRS 16 Leases as permitted by the Code of Practice for Local Authority Accounting in the United Kingdom. The main impact of the new requirements is that for arrangements previously accounted for as operating leases (ie without recognising the leased property as an asset and future rents as a liability) a right-of- use asset and a lease liability were brought into the balance sheet at 1 April 2024. Leases for items of low value and leases that expire on or before 31 March 2025 were exempt from the new arrangements.

IFRS 16 has been applied retrospectively, but with the cumulative effect recognised at 1 April 2024. This means that right-of-use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2024/25 and not by adjusting prior year figures. However, some practical expedients have been applied as required or permitted by the Code:

• lease liabilities were measured at the present value of the remaining lease payments at 1 April 2024, discounted by the authority's incremental borrowing rate at that date
• a single discount rate has been applied to portfolios of leases with reasonably similar characteristics
• the weighted average of the incremental borrowing rates used to discount liabilities was 3.24%

This has resulted in the following additions to the balance sheet, excluding PFI contracts:

• £91m Property, plant and equipment – land and buildings (right-of-use assets)
• £79m Non-current creditors (lease liabilities)
• £12m Current creditors (lease liabilities)

The newly recognised lease liabilities of £91m compare with the previously measured operating lease commitments of £54m at 31 March 2024 disclosed in the notes to the 2023/24 financial statements.

The Group is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the property acquired and finance costs that will be payable in future years while the liability remains outstanding.

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

£000	31 March 2025	31 March 2024
Current liability	7,672	34
Long term liability	71,582	6,040
Finance costs payable in future years	30,423	13,455
Total of minimum lease payments (Net Present Value)	**109,677**	**19,529**

The minimum lease payments payable over the following periods are:

	Minimum lease payments		Finance lease liabilities	
£000	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Not later than 1 year	10,114	627	7,672	34
Later than 1 year and not later than 5 years	30,320	2,507	20,400	162
Later than 5 years	69,243	16,395	51,182	5,878
Total	**109,677**	**19,529**	**79,254**	**6,074**

Operating leases
Following the adoption of IFRS16 the majority of Operating Leases have been reclassified. The remaining out of scope leases have the following lease payments due under non-cancellable leases in future years:

£000	31 March 2025 Property	31 March 2024 Property
Operating leases		
Not later than 1 year	1,641	7,841
Later than 1 year and not later than 5 years	3,419	22,174
Later than 5 years	472	24,118
Total	**5,532**	**54,133**

Group as lessor
Operating leases
The Group leases out interests in properties, particularly office space. The Group received rents amounting to £12.9 million (£11.3 million in 2023/24). The current lease payments receivable under non-cancellable leases in future years are:

£000	2024/25	2023/24
Not later than 1 year	12,700	12,604
Later than 1 year and not later than 5 years	50,494	50,248
Later than 5 years	87,158	93,353
Total	**150,352**	**156,205**

16.7 Component assets

The Group records a number of components in its fixed asset register consisting of assets in its PFI training establishment and a floating fuel facility as a component of a boat yard. All components have 15 years life spans, however as the total value is not considered significant, the assets have not been disclosed separately on the Balance Sheet.

16.8 Heritage assets

The Group looks after heritage assets which are recognised on the Balance Sheet (see note 16). Heritage Assets were donated or purchased and are held at valuation as a proxy for historical cost. In applying the accounting policy, the Group has identified that the assets have a value of £1.3 million. The Group maintains a large museum collection including paintings, police clothing, helmets, medals, and records, a selection of which are on display to the public at the Met Collection, Empress State Building. All of these items have previously been assessed by an independent valuer, and are currently held on the Balance Sheet at a value of £1.25 million. The Group owns an historic vehicle fleet consisting of 15 vehicles, currently housed at a secure garage at Hendon. They are not operational but are used in public events and maintained as part of MOPAC fleet. They are currently held on the Balance Sheet at a value of £65,800.

16.9 Future capital expenditure commitments

£000	2025/26 and later years	2024/25 and later years
IT Projects	82,364	82,554
Building Works	101,468	45,747
Vehicles. Plant and Equipment	5,942	20,021
Total	**189,774**	**148,322**

17. Assets held for sale

These consist of non current assets which have been authorised for sale by the Group and instruction given to agents for their disposal. The following table shows the movements and year end balances.

£000	2024/25	2023/24
Opening balance	12,824	25,174
Additional assets identified for disposal	0	250
Revaluation gains (losses)	0	(8,658)
Assets which are no longer being actively marketed	0	(3,865)
Assets disposed in year	(273)	(77)
Total	**12,551**	**12,824**

18. Short term debtors

£000	2024/25	2023/24
Trade receivables	33,659	43,716
Prepayments	45,494	33,037
Accrued income	164,824	254,997
Other receivable amounts*	67,462	55,583
Total before impairment loss allowance	**311,439**	**387,333**
Impairment loss allowance	(109)	(257)
Balance per balance sheet	**311,330**	**387,076**

‘Short term debtors’ represent assets which are expected to be realised within 12 months after the reporting date.

*The other receivable amounts balance is mainly made up of reimbursements due from HMRC for VAT incurred of £56.0m (£44.7m, 2023/24)

19. Cash and cash equivalents

'Cash and cash equivalents' consist of cash in hand, balances with banks, and investments that mature in less than three months from the date of acquisition. Cash and cash equivalents in the cash flow statement comprise the following:

£000	2024/25	2023/24
Banks and financial Institutions	**10,944**	**11,091**
London Treasury Liquidity Fund LP	**180,769**	**473**
Total	**191,713**	**11,564**

In 2024/25 all the Group's investments were placed with the London Treasury Liquidity Fund LP. The loan note element of this investment has been classified as a cash equivalent. More information can be found in note 30.

20. Short term creditors

£000	2024/25	2023/24
Trade payables	(169,761)	(98,049)
Accruals	(436,108)	(433,832)
GRNI	(33,730)	(67,846)
Other payables*	(89,339)	(100,269)
MOPAC Group balance	**(728,938)**	**(699,996)**
Intra-group creditor (see Note 6.2)	**(228,090)**	**(224,806)**
MOPAC balance	**(500,848)**	**(475,190)**

*** The other payables balance is mainly made up of payments to central government totalling £85.0m (£97.2m in 2023/24) in respect of Income Tax, National Insurance, Civil Service and Police Pensions payments.**

21. Short term borrowing

This amount represents part of certain loans and liabilities which are due for repayment in 12 months or less.

Due for repayment in 12 months or less (£000)	Note	2024/25	2023/24
Public Works Loan Board		(11,234)	(11,270)
Local authorities		0	(110,118)
PFI liabilities	25.1	(21,907)	(7,433)
Finance lease liabilities	25.1	(7,672)	(34)
Balance		**(40,813)**	**(128,855)**

22. Third party monies

Fund Name £000s 2024/25	Income	Expenditure	Assets	Liabilities
MOPAC Police Property Act Fund	13,370	19,595	6,830	0
MOPAC Detained Monies Account	19,424	18,392	24,167	0
Metropolitan Police Benevolent Fund	2,193	2,459	3,933	320
Metropolitan Police Commissioner's Fund	48	36	756	6
Metropolitan Police Sports Fund	242	212	340	6
Metropolitan Police Staff Welfare Fund	30	27	228	1
Metropolitan Police Athletic Association	1,596	1,346	1,991	166
COMETS	115	105	192	26
Total	**37,018**	**42,172**	**38,437**	**525**

Fund Name £000s 2023/24	Income	Expenditure	Assets	Liabilities
MOPAC Police Property Act Fund	12,505	11,595	13,055	0
MOPAC Detained Monies Account	17,086	15,327	23,135	0
Metropolitan Police Benevolent Fund	2,251	2,605	3,696	335
Metropolitan Police Commissioner's Fund	61	25	710	5
Metropolitan Police Sports Fund	258	236	353	49
Metropolitan Police Staff Welfare Fund	24	24	225	1
Metropolitan Police Athletic Association	1,626	1,372	2,033	129
COMETS	109	115	207	10
Total	**33,920**	**31,299**	**43,414**	**529**

The MOPAC Group administers funds on behalf of third parties. Money held by the funds is not owned by the Group and is not included in the Balance Sheet. The principal funds are described below. Group staff administer the MOPAC Police Property Act Fund and the MOPAC Detained Monies Account on behalf of the Group and the remaining funds on behalf of their respective governing bodies. Details of the principal funds, together with their income and expenditure for their respective financial years which ended during the 12 months to 31 March 2025 (or, in the case of the Charities, the most recently audited set of accounts) and values at their financial year-end dates, are given above.

MOPAC Police Property Act Fund (MOPAC PPAF)

Regulations under the Police (Property) Act 1897 and its subsequent amending legislation permit police to retain the proceeds from the disposal of property that comes into police possession in connection with a criminal charge (or suspicion of a criminal offence being committed) where the owner has not been ascertained or no court order has been made. The legislation stipulates that the income be used to meet the cost of the storage and sale of the property with any residual funds being used for charitable purposes in accordance with directions of the Deputy Mayor for Policing And Crime. The MOPAC PPAF is used for this purpose.

MOPAC Detained Monies Account (MOPAC DMA)

As stated above, until 31 March 2004 the MOPAC PPAF was used to hold for the time being money that had been detained from persons suspected of criminal activity, such money being retained pending a decision as to its disposal. Since 1 April 2004 detained money has been paid into the MOPAC DMA.

Metropolitan Police Benevolent Fund (MPBF)

The following four charities amalgamated on 29 May 2009, with the agreement of the Charity Commission, to become the Metropolitan Police Benevolent Fund:

- Metropolitan Police Combined Benevolent Fund (MPCBF);
- Metropolitan and City Police Relief Fund (MCPRF);
- Metropolitan Police Widows' and Widowers' Fund (MPWWF);
- Metropolitan Police Convalescent Home Fund (MPCHF).

This registered charity receives monthly contributions from police officers and donations and bequests from members of the public. Financial assistance may be provided by grant or interest-free loan to serving police officers, retired police officers or their dependents considered to be deserving of assistance on account of sickness (whether of themselves or their families) or of injuries received in the discharge of their duties or for other reasons.

Grants to deserving cases among widows and widowers of former police officers are also provided. The cost of a widow's or widower's funeral may be made if the deceased's relatives are unable to afford it.

Part of the contributions deducted from Metropolitan Police Officers pay who support the Metropolitan Police Benevolent Fund are sent to The Police Rehabilitation Centre at Goring-on-Thames which provides residential convalescence facilities to Metropolitan Police officers and to officers from other police forces to help promote a speedy recovery from illness or injury.

Metropolitan Police Commissioner's Fund (MPCF)
This registered charity was established to help promote the efficiency and wellbeing of Metropolitan Police officers and staff. Although this may be achieved in a variety of ways as defined in the governing document, assistance is invariably in the form of a monetary grant to members of the Metropolitan Police or to Metropolitan Police organisations.

Metropolitan Police Sports Fund (MPSF)
This registered charity receives monthly contributions from police officers for sporting, athletic and other recreational activities. The major part of the income is distributed to the four principal sports clubs. Financial assistance is also given to various sports and social clubs.

Metropolitan Police Staff Welfare Fund (MPSWF)
This registered charity provides financial assistance to members and past members of police staff, their families and dependents who are in need. Financial assistance may be provided by grant or interest-free loan.

Metropolitan Police Athletic Association (MPAA)
The MPAA is the umbrella organisation for 40 sporting sections of the Metropolitan Police. Each section is individually run but do receive assistance from the Association for its activities.

Metropolitan Police Sports and Social Association (COMETS)
The Comets (Metropolitan Police Sports and Social Association) have several sporting and social sections. All funds for the Comets are generated from Membership Subscriptions and a Lottery. Membership is open to all Metropolitan Police employees.

Operational responsibilities
MOPAC also holds monies on behalf of third parties arising from its operational responsibilities. The cash amounts, not included in the Balance Sheet, are as follows:

£000	2024/25	2023/24
Proceeds Of Crime Act monies	71,587	51,902
Prisoners' property and lost cash	1,743	1,378
Other	591	578
Total	**73,921**	**53,858**

In addition, MOPAC also holds non cash assets which are not valued in the above table. The prisoners' property and lost cash relates to the total amount held in property stores at 31 March 2025 and has therefore been stated separately from the Police Property Act Fund value.

23. Provisions

23.1 Short term provisions

£000	Third party liabilities	Other provisions	Total
Balance at 1 April 2023	**(16,270)**	**(8,719)**	**(24,989)**
Additional provisions made in 2023/24	(13,368)	(16,632)	(30,000)
Amounts used in 2023/24	16,269	5,438	21,707
Reduction in provisions made in 2023/24	0	0	0
Transfer to/(from) long term	(787)	0	(787)
Balance at 31 March 2024	**(14,156)**	**(19,913)**	**(34,069)**
Additional provisions made in 2024/25	(16,942)	0	(16,942)
Amounts used in 2024/25	14,154	1,516	15,670
Reduction in provisions made in 2024/25	0	122	122
Transfer to/(from) long term	40	0	40
Balance at 31 March 2025	**(16,904)**	**(18,275)**	**(35,179)**

23.2 Long term provisions

£000	Third party liabilities	Other provisions	Total
Balance at 1 April 2023	**(14,779)**	**(4,532)**	**(19,311)**
Additional provisions made in 2023/24	(12,143)	0	(12,143)
Reduction in provisions made in 2023/24	0	4,532	4,532
Amounts used in 2023/24	13,278	0	13,278
Transfer to/(from) short term	787	0	787
Balance at 31 March 2024	**(12,857)**	**0**	**(12,857)**
Additional provisions made in 2024/25	(15,389)	0	(15,389)
Reduction in provisions made in 2024/25	12,936	0	12,936
Amounts used in 2024/25	0	0	0
Transfer to/(from) short term	(40)	0	(40)
Balance at 31 March 2025	**(15,350)**	**0**	**(15,350)**

MOPAC seeks to make provision for realistic estimates of the future settlement of known liabilities in respect of legal compensation and accident claims that are not covered by insurance. Accordingly a provision has been created for £32.3 million (of which £15.3m is long term). At 31 March 2024 the value of this provision was £27.0 million (of which £12.9m was long term). Over the course of the year agreed claims have been paid from this account totalling £27.0 million.

Other provisions total £18.3 million and consist of:

- A provision of £13.5 million in respect of other employee related costs;
- A provision of £4.8m in respect of other legal claims;

24. Long term borrowing

These are loans from the Public Works Loans Board (PWLB). They are raised to support capital expenditure on MOPAC assets, and are analysed below:

£000	2024/25	2023/24
Loans	**(867,350)**	**(472,950)**
Analysis of loans by maturity:		
Between 1 and 2 years	(55,600)	(5,600)
Between 2 and 5 years	(169,300)	(28,800)
Between 5 and 10 years	(300,200)	(80,500)
Over 10 years	(342,250)	(358,050)

25. Long term contractor liability

This liability covers that relating to PFI contracts and lease contracts.

£000	2024/25	2023/24
PFI liability	(68,622)	(36,180)
Lease liability	(71,582)	(6,039)
Balance at 31 March	**(140,204)**	**(42,219)**

25.1 PFI and lease contracts

Analysis of contractor liabilities between short term and long term.

£000	2024/25 PFI liability	2023/24 PFI liability	2024/25 Lease liability	2023/24 Lease liability
Balance as at 1 April	(43,613)	(48,183)	(6,073)	(6,104)
Net movement in year	(46,917)	4,570	(73,181)	31
Total liability	**(90,530)**	**(43,613)**	**(79,254)**	**(6,073)**
Classified as:				
Short term liability	(21,907)	(7,433)	(7,672)	(33)
Long term liability	(68,622)	(36,180)	(71,582)	(6,040)

26. Reserves

The reserves of MOPAC have been presented to show a clear distinction between accounting reserves that are unusable and cannot be used to support expenditure and usable reserves.

26.1 Unusable reserves

Movements on unusable reserves - Group and MOPAC 2024/25

£000	Revaluation reserve	Capital adjustment account	Financial Instruments Revaluation Reserve	Accumulated absences account	Police officer pension	Deferred capital receipts	Total
Balance as at 1 April 2024	**(560,459)**	**(1,045,579)**	**(2,415)**	**224,806**	**24,198,200**	**0**	**22,814,553**
Downward revaluation of assets	93,124	0		0	0	0	**93,124**
Difference between fair value and historic cost depreciation	40,192	(40,192)		0	0	0	**0**
Accumulated gains on assets disposed	780	(780)		0	0	0	**0**
Other capital adjustments	0	0		0	0	0	**0**
Downward revaluation of assets and impairment losses not charged to the CIES	0	0		0	0	0	**0**
Statutory provision for financing capital investment charged against CIES (MRP)	0	(108,061)		0	0	0	**(108,061)**
Revaluation losses/(gains) on L&B	0	35,011		0	0	0	**35,011**
Depreciation and impairment	0	215,281		0	0	0	**215,281**
Amortisation of intangible assets	0	0		0	0	0	**0**
Movements in market value of investment property	0	(140)		0	0	0	**(140)**
Amounts written out on disposal	0	9,758		0	0	0	**9,758**
Capital grants and contributions credited to CIES applied to capital finance	0	(38,951)		0	0	0	**(38,951)**
Application of grants from capital grants unapplied account	0	(14,953)		0	0	0	**(14,953)**
Use of capital receipts reserve	0	(728)		0	0	0	**(728)**
Capital expenditure charged against CIES	0	(9,634)		0	0	0	**(9,634)**
Movement of reserves	0	0	967	3,284	(3,860,200)	0	**(3,855,949)**
Donated assets	0	0		0	0	0	**0**
Transfer of deferred sale proceeds credited as part of the gains/loss on disposal to the CIES	0	0		0	0	0	**0**
Balance as at 31 March 2025	**(426,363)**	**(998,968)**	**(1,448)**	**228,090**	**20,338,000**	**0**	**19,139,311**

Movements on unusable reserves - Group and MOPAC 2023/24							
£000	**Revaluation reserve**	**Capital adjustment account**	**Financial Instruments Revaluation Reserve**	**Accumulated absences account**	**Police officer pension**	**Deferred capital receipts**	**Total**
Balance as at 1 April 2023 restated	**(548,224)**	**(1,106,322)**	**0**	**197,705**	**24,342,500**	**(8,750)**	**22,876,909**
Downward revaluation of assets	(55,414)	0		0	0	0	**(55,414)**
Difference between fair value and historic cost depreciation	42,766	(42,766)		0	0	0	**0**
Accumulated gains on assets disposed	413	(413)		0	0	0	**0**
Other capital adjustments	0	0		0	0	0	**0**
Downward revaluation of assets and impairment losses not charged to the CIES	0	0		0	0	0	**0**
Statutory provision for financing capital investment charged against CIES (MRP)	0	(66,190)		0	0	0	**(66,190)**
Revaluation losses/(gains) on L&B	0	65,163		0	0	0	**65,163**
Depreciation and impairment	0	185,846		0	0	0	**185,846**
Amortisation of intangible assets				0	0	0	**0**
Movements in market value of investment property	0	(80)		0	0	0	**(80)**
Amounts written out on disposal	0	2,229		0	0	0	**2,229**
Capital grants and contributions credited to CIES applied to capital finance	0	(53,431)		0	0	0	**(53,431)**
Application of grants from capital grants unapplied account	0	(7,772)		0	0	0	**(7,772)**
Use of capital receipts reserve	0	(8,959)		0	0	0	**(8,959)**
Capital expenditure charged against CIES	0	(12,884)		0	0	0	**(12,884)**
Movement of reserves	0	0	(2,415)	27,101	(144,300)	0	**(119,614)**
Donated assets	0	0		0	0	0	**0**
Transfer of deferred sale proceeds credited as part of the gains/loss on disposal to the CIES	0	0		0	0	8,750	**8,750**
Balance as at 31 March 2024	**(560,459)**	**(1,045,579)**	**(2,415)**	**224,806**	**24,198,200**	**0**	**22,814,553**

Revaluation Reserve

The Revaluation Reserve was created on 1 April 2007 and records the unrealised revaluation gains on land and buildings arising in the year ended 31 March 2024. This amount is also used for accumulated gains which are removed from this account when re-valued assets are sold and also to amortise the gains over the lives of the assets held at 31 March 2025.

Capital Adjustment Account
The Capital Adjustment Account provides a balancing mechanism between the different rates at which assets are depreciated under the Code and are financed by capital sources.

Accumulated Absences Account
The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Reserves Balance from accruing for unused accumulated absences as at 31 March 2024. Statutory arrangements require that the impact on the General Reserves Balance is neutralised by transfers to or from the Account.

These short term accumulated absences are initially recognised in the CPM Accounts for police staff and officers under the direction of the Commissioner. Equivalent liabilities are however recognised in the MOPAC Balance Sheet offsetting the liabilities in the CPM accounts, to reflect the continuing requirement of MOPAC to provide funds from the Police Fund to meet those liabilities as they fall due.

Police Officer Pension Reserve
This reserve reflects the actuarially calculated future cost of providing pensions for both serving and non-serving police officers as well as those already in retirement as stipulated by regulations.

Deferred Capital Receipts Reserve
The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non current assets but for which cash settlement has yet to take place. Under statutory arrangements, these gains are not treated 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 Reserve.

26.2 Usable capital reserves

£000	Capital Receipts Reserve	Capital Grants Unapplied Account	Total
Balance at 31 March 2023	**0**	**(2,203)**	**(2,203)**
Proceeds of disposals	(8,959)	0	**(8,959)**
Financing of fixed assets	8,959	7,772	**16,731**
Capital grants	0	(7,772)	**(7,772)**
Balance at 31 March 2024	**0**	**(2,203)**	**(2,203)**
Proceeds of disposals	(728)	0	**(728)**
Financing of fixed assets	728	14,953	**15,681**
Capital grants	0	(14,953)	**(14,953)**
Balance at 31 March 2025	**0**	**(2,203)**	**(2,203)**
Net movement for 2023/24	**0**	**0**	**0**
Net movement for 2024/25	**0**	**0**	**0**

Usable capital receipts
The use of capital receipts is regulated by Part 1 of the Local Government Act 2003 and the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. The receipts can only be used to finance capital expenditure or repay debt.

Capital Grants Unapplied
This reserve contains grants monies where no conditions exist or whose conditions have been satisfied and where the related expenditure has not yet been incurred.

26.3 Usable earmarked revenue reserves

During the financial year 2024/25 a fundamental review of reserves was undertaken - this involved reviewing each reserve held on the balance sheet and assessing whether it was still required for the original purpose as well as assessing the need for reserves balances for other purposes. The result has been a strategic decision to realign some balances to mitigate a budget pressure and to allocate some for new purposes. the reserves are presented in a format required by the Minister for Policing and the Fire Service.

£000	Balance at 31 March 2023	Transfer to	Transfer from	Balance at 31 March 2024	Transfer to	Transfer from	Balance at 31 March 2025
Supporting OMM and local change	(44,326)	(6,205)	16,821	(33,710)	35,783	(13,010)	(10,937)
Managing the Budget	(66,279)	0	34,927	(31,352)	37,977	(71,934)	(65,309)
Property	(61,752)	0	12,009	(49,743)	6,147	0	(43,596)
Historical public inquires	(2,212)	0	1,370	(842)	842	0	0
Operational Costs	(105,078)	(1,688)	49,996	(56,770)	42,003	(4,585)	(19,352)
Insurance	(6,680)	0	6,680	0			0
Other earmarked (POCA)	(11,352)	(9,819)	1,391	(19,780)	3,339	(6,338)	(22,779)
Vetting Delays	(106)	0	106	0	0	0	0
Specifically funded for third parties	(13,365)	(565)	117	(13,813)	0	(7,881)	(21,694)
Business Group initiatives	(2,349)	0	1,087	(1,262)	357	0	(905)
Business Rates	(60,000)	0	30,000	(30,000)	30,000	0	0
Managing Officer FTEs	(23,100)	0	0	(23,100)	23,100	(13,500)	(13,500)
MOPAC	(52,123)	(17,697)	26,302	(43,518)	20,040	(10,743)	(34,221)
Total earmarked reserves	**(448,722)**	**(35,974)**	**180,806**	**(303,890)**	**199,588**	**(127,991)**	**(232,293)**
Emergencies Contingency Fund	(23,093)	0	0	(23,093)	0	0	(23,093)
General revenue reserve	(39,272)	(4,265)	0	(43,537)	0	(10,000)	(53,537)
Total General reserves	**(62,365)**	**(4,265)**	**0**	**(66,630)**	**0**	**(10,000)**	**(76,630)**
Total MOPAC revenue reserves	**(511,087)**	**(40,239)**	**180,806**	**(370,520)**	**199,588**	**(137,991)**	**(308,923)**
National functions	(5,312)	(2,288)	1,516	(6,084)	1,699	(623)	(5,008)
Total National Functions	**(5,312)**	**(2,288)**	**1,516**	**(6,084)**	**1,699**	**(623)**	**(5,008)**
Total Revenue Reserves	**(516,399)**	**(42,527)**	**182,322**	**(376,604)**	**201,287**	**(138,614)**	**(313,931)**

Supporting local change
The Supporting local change reserve is set aside to fund various modernisation programmes in particular estates transformation.

Managing the Budget
Reserve created to manage budget fluctuations during the year and to smooth the short term impact of funding changes and cost pressure.

Property related costs
These reserves are accumulated or drawn down to facilitate the MPS estates rationalisation programme. This covers a reserve for dilapidations to fund future expenditure on properties where the leases have expired and a reserve for property related costs which reflect the requirement to provide for the cost of various building related projects as part of the central estates' strategy.

Historical public inquiries
The reserves are to fund the provision of resources to respond to requests for information and other requirements arising from the work of the public inquiries.

Operational costs
This reserve exists to fund a number of specific operational requirements such as investigative coaches where it has been agreed funding would be carried forward to enable the profiling of these costs in future years.

Insurance
This reserve covers insurance costs in line with the insurance strategy. This reserve will cease due to the fact that insurance risks are covered through provisions

POCA
The reserve is used to drive up performance on asset recovery work, crime reduction projects and to fund local crime fighting priorities for the benefit of the community.

Vetting Delays
£1.1m was set aside in 2017/18 to fund the requirement to update the vetting status of existing officers and staff. This reserve was fully spent by the end of 2024/25.

Business Group Initiatives
This reserve supports the delivery of one-off projects within business groups.

Business Rates
This reserve was set up by the Mayor to fund an additional 1,000 FTEs over 3 years. The final tranche of the reserve was fully spent in 2024/25.

Managing Officer FTEs
This reserve was established in 2017/18 following a Management Board decision to work towards a relatively stable trajectory for officer FTEs over the medium term.

MOPAC
MOPAC holds a reserve for its own internal budget. This is mainly grant funding that is held to fund specific projects over a number of financial years and which the grant funder permits funds to be carried forward from one year to the next. MOPAC aim to drawn down a managed amount from these reserves each year to fund a variety of commissioned services reflecting the priorities set out in the Mayor's Police and Crime Plan to: provide a better police service for London; tackle violence against women and girls; keep children and young people safe; tackle hate crime and intolerance; and provide a better Criminal Justice Service for London.

Other reserves
The following reserves are also held by MOPAC:

- Reserves specifically funded for third parties; and
- Reserves held on behalf of the National police functions, National Police Chief's Council (NPCC) and National Police Coordination Centre (NPoCC).

26.4 General revenue reserve
MOPAC's policy is to have a General Reserve to meet unforeseen or emergency expenditure that cannot be contained within the budget.

27. Adjustments between accounting basis and funding basis under regulation.

This note identifies the adjustments that are made to the CIES recognised by the Group in the year in accordance with accounting practice in order to determine the resources that are specified by statutory provisions as being available to the Group to meet future capital and revenue expenditure.

The following adjustments are for 2024/25:

Group and MOPAC £000	**General Reserves**	**Capital receipts reserve**	**Capital Grants Unapplied Account**	**Unusable reserves**
Adjustments to the CIES				
Pension costs (transferred to (or from) the Pension Reserve)	(365,900)			365,900
Holiday pay (transferred to the accumulated absences reserve	(3,284)			3,284
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)	(259,910)			259,910
Total adjustments to the CIES	**(629,094)**	**0**	**0**	**629,094**
Adjustments between reserves and capital resources				
Transfer of non-current asset sale proceeds from reserves to the capital receipts reserve	728	(728)	0	0
Deferred sale proceeds	0	0	0	0
Statutory provision for the repayment of debt (transfer to Capital Adjustment Account)	108,061			(108,061)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	9,634			(9,634)
Total adjustment between reserves and capital resources	**118,423**	**(728)**	**0**	**(117,695)**
Adjustments to capital resources				
Use of the Capital Receipts Reserve to finance capital expenditure	0	728	0	(728)
Application of capital grants to finance capital expenditure	53,904	0	0	(53,904)
Cash payments in relation to deferred capital receipts	0	0	0	0
Total capital financing adjustments	**53,904**	**728**	**0**	**(54,632)**
Total adjustments - MOPAC Group	**(456,767)**	**0**	**0**	**456,767**
Police pensions	4,226,100	0	0	(4,226,100)
Total - MOPAC	**3,769,333**	**0**	**0**	**(3,769,333)**

The following adjustments were made in 2023/24:

Group and MOPAC £000	General Reserves	Capital receipts reserve	Capital Grants Unapplied Account	Unusable reserves
Adjustments to the CIES				
Pension costs (transferred to (or from) the Pension Reserve)	(606,800)	0	0	606,800
Holiday pay (transferred to the accumulated absences reserve	(27,101)	0	0	27,101
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)	(253,158)	0	0	253,158
Total adjustments to the CIES	**(887,059)**	**0**	**0**	**887,059**
Adjustments between reserves and capital resources				
Transfer of non-current asset sale proceeds from reserves to the capital receipts reserve	209	(209)	0	0
Deferred sale proceeds	0	0	0	0
Statutory provision for the repayment of debt (transfer to Capital Adjustment Account)	66,190	0	0	(66,190)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	12,884	0	0	(12,884)
Total adjustment between reserves and capital resources	**79,283**	**(209)**	**0**	**(79,074)**
Adjustments to capital resources				
Use of the Capital Receipts Reserve to finance capital expenditure	0	8,959	0	(8,959)
Application of capital grants to finance capital expenditure	61,203	0	0	(61,203)
Cash payments in relation to deferred capital receipts	0	(8,750)	0	8,750
Total capital financing adjustments	**61,203**	**209**	**0**	**(61,412)**
Total adjustments - MOPAC Group	**(746,573)**	**0**	**0**	**746,573**
Police pensions	751,100			(751,100)
Total - MOPAC	**4,527**	**0**	**0**	**(4,527)**

28. Notes to the cash flow statement

28.1 The cash flow for operating activities included interest cash flows:

£000	31 March 2025 Group	31 March 2024 Group	31 March 2025 MOPAC	31 March 2024 MOPAC
Operating activities				
Interest received	(16,796)	(23,701)	(16,796)	(23,701)
Interest paid	17,350	15,896	17,350	15,896
Interest element of finance lease and PFI rental payments	8,899	10,571	8,899	10,571
	9,453	**2,766**	**9,453**	**2,766**

28.2 Adjustments to net surplus or deficit on the provision of services for non-cash movements (Group and MOPAC):

£000	31 March 2025 Group	31 March 2024 Group	31 March 2025 MOPAC	31 March 2024 MOPAC
Depreciation of non-current assets	(215,275)	(185,840)	(215,275)	(185,840)
Impairment and revaluations of non-current assets	(35,011)	(65,163)	(35,011)	(65,163)
Amortisation of intangible assets	(6)	(6)	(6)	(6)
Reversal of pension service costs and interest	(365,900)	(606,800)	3,860,200	144,300
(Increase)/decrease in impairment for provision for bad debts	148	184	148	184
(Increase)/decrease in creditors	(28,941)	(54,427)	(28,941)	(54,427)
Increase/(decrease) in debtors	(75,894)	11,102	(75,894)	11,102
Increase/(decrease) in inventories	306	958	306	958
Carrying amount of property, plant and equipment, investment property and intangible assets sold	(9,758)	(2,229)	(9,758)	(2,229)
Other non-cash items	(9,098)	(7,334)	(9,098)	(7,334)
	(739,429)	**(909,555)**	**3,486,671**	**(158,455)**

28.3 Adjustments for items in the net surplus or deficit on the provision of services that are investing or financing activities:

£000	31 March 2025 Group	31 March 2024 Group	31 March 2025 MOPAC	31 March 2024 MOPAC
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	728	209	728	209
Other items for which the cash effects are investing or financing activities	53,904	61,203	53,904	61,203
Proceeds from short term and long term investments	2,415	0	2,415	0
	57,047	**61,412**	**57,047**	**61,412**

28.4 Cash flows from investing activities:

£000	31 March 2025 Group	31 March 2024 Group	31 March 2025 MOPAC	31 March 2024 MOPAC
Investing activities				
Purchase of non-current assets	292,287	305,483	292,287	305,483
Purchase of short term and long term investments	5,800	7,249	5,800	7,249
Proceeds from short term and long term investments	(9,664)	(3,732)	(9,664)	(3,732)
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(728)	(8,959)	(728)	(8,959)
Other receipts from investing activities	(53,904)	(61,203)	(53,904)	(61,203)
	233,791	**238,838**	**233,791**	**238,838**

Other receipts from investing activities is comprised mainly of capital grant receipts totalling £59.3m in 2024/25 (£61.2m in 2023/24)

28.5 Cash flows from financing activities:

£000	31 March 2025 Group	31 March 2024 Group	31 March 2025 MOPAC	31 March 2024 MOPAC
Financing activities				
Cash receipts of short and long-term borrowing	(400,000)	(110,000)	(400,000)	(110,000)
Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts (principal)	27,614	4,601	27,614	4,601
Repayments of short and long-term borrowing	121,388	11,371	121,388	11,371
	(250,998)	**(94,028)**	**(250,998)**	**(94,028)**

28.6 Reconciliation of liabilities arising from financing activities – Group and MOPAC:

£000	Opening Balance 1 April 2024	Financing cash flows	Acquisition	Other non-cash changes	Closing Balance 31 March 2025
Liabilities					
Long term borrowing	(472,950)	0	(400,000)	5,600	(867,350)
Short term borrowing	(121,387)	121,387	0	(11,234)	(11,234)
Lease liabilities	(6,073)	11,895	0	(85,076)	(79,254)
On balance sheet PFI liabilities	(43,614)	15,720	0	(62,635)	(90,529)
Total liabilities from financing activities	**(644,024)**	**149,002**	**(400,000)**	**(153,345)***	**(1,048,367)**

*Other non-cash changes for lease and on balance sheet PFI liabilities relate to the changes in accounting and measurement of these liabilities on adoption of IFRS16

£000	Opening Balance 1 April 2023	Financing cash flows	Acquisition	Other non-cash changes	Closing Balance 31 March 2024
Liabilities					
Long term borrowing	(479,550)	0	0	6,600	(472,950)
Short term borrowing	(11,371)	11,371	(110,000)	(11,387)	(121,387)
Lease liabilities	(6,104)	31	0	0	(6,073)
On balance sheet PFI liabilities	(48,183)	4,569	0	0	(43,614)
Total liabilities from financing activities	**(545,208)**	**15,971**	**(110,000)**	**(4,787)**	**(644,024)**

29. Contingent liabilities

There are no material contingent liabilities to disclose.

30. Financial instruments

The financial instruments recognised by the Group include creditors and debtors, borrowings, bank deposits, loans and investments. The Group has not given any financial guarantees nor does it hold financial instruments, which are either 'held for trading' or any derivatives. The financial instrument balances disclosed in the Balance Sheet are made up of the following classes of financial instruments:

	Non current		Current (within 12 months)	
£000	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Financial Assets:				
Investments – amortised cost	0	0	0	0
Investments – Fair value through Other Comprehensive Expenditure	7,247	9,664	0	0
Debtors and cash (including cash equivalents) – amortised cost	0	0	290,074	179,385
Total financial assets	**7,247**	**9,664**	**290,074**	**179,385**
Financial Liabilities: Amortised cost				
Borrowings	(867,350)	(472,950)	(11,234)	(121,388)
PFI and finance lease liabilities	(140,204)	(42,219)	(29,579)	(7,467)
Creditors	0	0	(564,665)	(557,890)
Total financial liabilities	**(1,007,554)**	**(515,169)**	**(605,478)**	**(686,745)**

London Treasury Liquidity Fund
At 31 March 2025, all the Group's investments are placed with the London Treasury Liquidity Fund LP which then places the underlying investments on the Group's behalf. This is made up of two elements;

- The loan note element totalling £180.8m which has been classified as a cash equivalent and measured at amortised cost:
- The core commitment element totalling £7.2m has been classified and designated at fair value through other comprehensive income. This includes an unrealised gain in the year of £1.4m which is held in the Financial Instruments Revaluation Reserve.

Other Financial Assets and Liabilities
Other financial liabilities (represented by loans, receivables and payables) are carried in the Balance Sheet for the Group at amortised cost.

The gains and losses recognised in the CIES in relation to financial instruments are made up as follows

£000	2024/25	2023/24
Expenses		
Interest expense: financial assets at amortised cost	26,249	26,467
Total expense in (surplus)/deficit on the provision of services	**26,249**	**26,467**
Income		
Interest income: financial liabilities at amortised cost	(16,796)	(23,701)
Total income in surplus on the provision of services	**(16,796)**	**(23,701)**
Net (gain)/loss for the year	**9,453**	**2,766**

£000	2024/25 Carrying amount	Fair value	2023/24 Carrying amount	Fair value
Financial liabilities				
Borrowings - (Public Works Loan Board)	878,584	761,056	484,220	387,553
Borrowings – (Temporary)	0	0	110,118	110,118
PFI liabilities	90,530	90,530	43,613	45,773
Creditors	564,665	564,665	557,890	557,890
Financial Assets				
Investments	7,247	7,247	9,664	9,664
Debtors	290,074	290,074	179,385	179,385

The fair value of the PWLB borrowing is lower than the carrying amount because the Group's portfolio of loans includes a number of fixed rate loans where the interest rate payable is lower than the rates available for similar loans at the Balance Sheet date. This shows a notional future gain as at 31 March 2025 arising from a commitment to pay interest below current market rates.

Following the adoption of IFRS16 PFI liabilities dependent on an index or rate are required to be remeasured on transition and thereafter on each indexation date to reflect the value of the revised lease payments. The balance sheet carrying value of PFI liabilities at 31 March 2025 has been updated to reflect this and thus represents a reasonable approximation of fair value.

Short term creditors and debtors are carried at cost as this is a fair approximation of their value. Investments are carried at fair value on the balance sheet.

The fair value hierarchy of financial liabilities that are not measured at fair value is set out below:

Recurring Fair Value Measurements Using: £000	31 March 2025 Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial liabilities				
Borrowings				
Borrowings-(Public Works Loan Board)	0	761.056	0	**761,056**
Other long term liabilities				
PFI liabilities	0	0	0	**0**
Total	**0**	**761,056**	**0**	**761,056**

Recurring Fair Value Measurements Using: £000	31 March 2024 Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Financial liabilities				
Borrowings				
Borrowings-(Public Works Loan Board)	0	387,553	0	**387,553**
Other long term liabilities				
PFI liabilities	0	0	45,773	**45,773**
Total	**0**	**387,553**	**45,773**	**433,326**

The fair value for financial liabilities that are not measured at fair value included in levels 2 and 3 in the table above have been arrived at using a discounted cash flow analysis with the most significant inputs being the discount rate.

The fair value for financial assets and financial liabilities that are not measured at fair value 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.

Financial Assets	Financial Liabilities
Where an instrument will mature in the next 12 months, the fair value is taken to be the carrying value.	No early repayment is recognised
The fair value of the core commitment element of the investment with the London Treasury Liquidity Fund LP is taken to be the carrying value.	Estimated ranges of interest rates at 31 March 2025 of 4.81% to 5.97% for PWLB loans payable based on PWLB loans payable based on PWLB new loan rates.
The fair value of trade and other receivables is taken to be the invoiced or billed amount.	From 1 April 2024, the fair value of PFI liabilities remeasured under IFRS16 is taken to be the carrying value.
	The fair value of trade and other payables is taken to be the invoiced or billed amount

30.1 Nature and extent of risks arising from financial instruments

Risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Day to day risk management is carried out under a shared service arrangement by the GLA under the policy approved by the MOPAC Group and set out in the annual MOPAC Treasury Management Strategy. During 2024/25 the London Treasury Liquidity Fund (LTLF) managed all MOPAC investments to generate financial and risk reduction benefits. The Group's activities expose it to a variety of financial risks:

- **Credit risk** – the possibility that other parties might fail to pay amounts due to the Group;
- **Liquidity risk** – the possibility that the Group might not have funds available to meet its commitments to make payments to its suppliers and creditors;
- **Interest rates risk** - Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates;
- **Foreign exchange risk -** Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group does not have any such instruments.

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Group's customers. MOPAC's Treasury Management Strategy is administered and managed by the London Treasury Team.

Credit risk management practices

Credit risk arises from deposits with financial institutions, as well as credit exposure to the Group's customers. MOPAC's Treasury Management Strategy is administered and managed by the London

Treasury Team. Credit ratings form the backbone of the investment policy for selecting institutions with which the London Treasury Team invests surplus funds on MOPAC's behalf, 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 London Treasury Team'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 Group's cash flow requirements. All the Group's investments are sterling denominated.

At 31 March 2025, the Group's underlying investments and cash were placed with institutions with at least a A- credit rating. Thus, it has been judged that these investments can be categorised as low credit risk. An assessment of the 12 month expected losses for these investments has been carried out by comparing the credit rating of the investment against historic default tables and the resulting expected impairment loss is not significant and therefore a loss has not been recognised in the accounts.

When considering the expected credit loss in relation to trade debtors, the Group has applied the simplified approach therefore the loss allowance recognised in the accounts relates to lifetime expected credit losses. Due to the fact that these receivables have common risk characteristics, a collective assessment of credit risk has been made, using a provision matrix to calculate expected credit losses based on the number of days that the debt is past due. The expected credit loss in relation to trade debtors at 31 March 2025 is £108k (31 March 2024, £257k). This is the only loss allowance recognised in the accounts.

The DMPC has the delegated authority to approve all debt write off that are considered irrecoverable. Debts are not written off until all available recovery options have been exhausted.

	Credit risk rating	**Gross Carrying Amount at 31 March 2025**
		£000
		A
12 month expected credit losses	AAA	75,544
	AA-	58,396
	A+	29,839
	A-	7,462
	BBB+	
	Strategic Lending & Investments	16,776
Simplified approach	Customers (general debtors)	33,569

Liquidity risk

As the Group has ready access to borrowings from the PWLB, there is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. The Group can also access short term funding from within the GLA Group. As at 31 March 2025 the group had no temporary borrowing from the GLA (31 March 2024, £110m). The Group undertook £400m of new PWLB borrowing during 2024/25 with fixed rate loans. The maturity analysis of all the PWLB borrowings is as per Notes 21 and 24. Additionally, to cover short-term commitments, the Group has the ability to draw down from its balances with the LTLF on request. All trade creditors and other payable are due to be paid by the Group in less than one year.

Interest rate risk

The Group is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments, however in the short term extreme movements are deemed unlikely. Movements in interest rates have a complex effect on the Group. For instance, a rise in interest rates would have the following effects:

- borrowings at fixed rates – the fair value of the liabilities will fall;
- borrowings at variable rate - the interest expenditure debited to the CIES will rise;
- investments at variable rates - the interest income credited to the CIES will rise;
- investments at fixed rates - the fair value of the assets will fall.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the CIES. However, changes in interest receivable on variable rate investments will be posted to the CIES and will affect the General Reserves Balance.

Police officer pension fund

1. Police officer pension fund revenue account

The Commissioner is responsible for administering the Police Pension Fund in accordance with the Police Reform and Social Responsibility Act 2011. This statement shows income and expenditure for the three Police Pension Schemes for 2024/25 and 2023/24. The statement does not form part of the CPM or the MOPAC Group Statement of Accounts.

£000	Notes	2024/25	2023/24
Contributions receivable			
• Employer contributions	4.1	(512,028)	(432,252)
• Additional income	4.3	(17,819)	(12,516)
Transfers in from other schemes	4.2	(3,442)	(3,383)
Officers' contributions	4.4	(199,183)	(187,343)
Net Income		**(732,472)**	**(635,494)**
Benefits payable			
Pensions paid		900,410	841,122
Lump sum payments		138,619	125,506
Lump sum death payments		3,899	3,770
Other payments	4.6	1,946	3,064
Transfers out to other schemes	4.2	227	146
Net expenditure		**1,045,101**	**973,608**
Net amount payable for the year		**312,629**	**338,114**
Employer additional funding	4.5	**(312,629)**	**(338,114)**
(Surplus)/deficit on fund		**0**	**0**

2. Police officer pension fund asset statement

This statement shows the assets and liabilities of the three Police Pension Schemes which does not form part of the CPM or Group Statement of Accounts.

£000	2024/25	2023/24
Current Assets		
Funding to Meet Deficit due from the CPM	0	0
Net Current Assets	0	0
Current Liabilities		
Unpaid Pensions Benefits	0	0
Net Current Liabilities	0	0
Total	**0**	**0**

3. Notes to the police officer pension fund account

The Police Officer Pension Fund includes the accounting transactions of the Police Pension Scheme 2015 which, came into effect on 1 April 2015 under the Police Pensions Regulations 2015.

Prior to 1st April 2022, it also combined the accounting transactions of the following two earlier schemes. On 1 April 2022, all existing members in these two schemes moved to the 2015 scheme:

- The New Police Pension Scheme, which was created by the Home Office under the Police Pensions Regulations 2007;
- The Police Pension Scheme, which was set up in 1987.

The Police Officer Pension Fund which is managed by the MOPAC Group has been set up for the specific purpose of administering the collection of contributions, the payment of pensions and payment or refund to central government for the balance outstanding for each year. The fund does not hold any investment assets, nor does it reflect the liabilities of the Schemes to pay present and future pensioners. The fund will be paid sufficient monies from the Home Office to cover the deficit in year.

These Accounts have been prepared using Pension SORP and the Code principles adopted for the MOPAC statements.

Details of the accounting policies can be seen on page 14 to 23. MOPAC provides the accounting and banking systems through which the CPM administers the Fund. Details of the three schemes' actuarial report and the cost of pensions can be seen in Note 12.

These Accounts are audited by Grant Thornton UK LLP and their opinion is included in page xxi.

4. Police Pension Fund - Revenue account notes

4.1 Employer contributions

Employer contributions are calculated at 35.3% of police officer pensionable pay from 1 April 2024, an increase from 31% previously. This increase was a result of an actuarial valuation of the police pension scheme. The employer contribution is set nationally by the Home Office and the scheme is subject to actuarial valuation every four years.

4.2 Transfers

These represent lump sums transferred to and from other pension schemes depending on whether the police officer was transferring in or transferring out their pension.

4.3 Additional income

These consist of CPM contributions for ill health retirements, 30 years plus scheme contributions and refund of former commissioners' and widows' pensions.

4.4 Officers' contributions

Members of the new 2015 police pension scheme make contributions of between 12.44% and 13.78% of pensionable pay.

4.5 Employer additional funding

This sum represents additional funding required to provide for payment to pensioners. The actual shortfall receipts for the year 2024/25 amounted to £312.6 million. The cash funding received by the Group in 2024/25 was £397.6 million. This consists of the additional funding of £68.4 million in respect of 2023/24, a statutory transfer from the police fund of a further £268.7 million in respect of 2024/25 and an additional £60.5m received for the McCloud settlement which has not been used in 2024/25 and has been treated as Income Received in Advance . The remaining 2024/25 shortfall of £43.9 million is to be received from the Home Office in 2025/26. With the income for the McCloud settlement, in total £16.6m has been received in advance from the Home Office in 24/25.

4.6 Other payments

These consist of contribution refunds and lump sum death benefits.

5. Related party transactions

As previously stated the Commissioner is responsible for administering the Police Pension Fund in accordance with the Police Reform and Social Responsibility Act 2011. During the year all payments and receipts are made to and from MOPAC Police Fund. As such the CPM and MOPAC are the only related parties to the fund, thus all the transactions shown on the revenue statement have been processed through MOPAC.

6. Additional voluntary pension contributions

Additional pension contributions (e.g. added pension/years) made by police officers amounted to £19,486 for the PPS scheme, £37,828 for the NPPS scheme and £286,182 for the 2015 scheme.

7. Members of the scheme

The MPS also administers the Pension Fund on behalf of members of Her Majesty’s Inspectorate of Constabulary (HMIC). There are no active HMIC members currently contributing to the Police Pension scheme, there are 21 HMIC pensioners and 4 dependent pensioners.

Glossary of terms

Accruals

The accounting treatment, where income and expenditure is recorded when it is earned or incurred not when the money is paid or received.

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Group. The net assets of the Group (assets less liabilities) are matched by the reserves held by the Group. Reserves are reported in two categories:

- Usable Reserves. These are reserves that the Group may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. For instance the Capital Receipts Reserve may only be used to fund capital expenditure or repay debt;

- Unusable Reserves. These reserves cannot be used by the Group to provide services. For instance reserves that hold unrealised gains and losses (such as the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the MIRS line ‘Adjustments between Accounting Basis and Funding Basis under Regulations’.

Budget

An estimate of costs, revenues and resources over a specified period, reflecting a reading of future financial conditions and priorities.

Capital expenditure

Expenditure on the acquisition, creation or enhancement of fixed assets.

Cash equivalent

A financial deposit placed with a bank, building society or other local authority for a term of no longer than three months.

Capital receipts

Money obtained on the sale of a capital asset. Capital receipts can only be used for capital purposes, such as funding capital expenditure or repaying debt.

Comprehensive Income and Expenditure Statement (CIES)

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from grants and taxation raised via the GLA precept on the Corporation of London and London Boroughs. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the MIRS.

Corporate costs

This consists of those activities and costs that provide the infrastructure that allows services to be provided, whether by the CPM or MOPAC, and the information that is required for public accountability. Activities that relate to the provision of services, even indirectly, are overheads on those services and include bank charges, auditors' fees and the cost of the Group as well as the corporate activities of Head Office departments.

Commissioner of Police of the Metropolis (CPM)

The CPM is a separate corporation sole which was established on 16 January 2012 under the Police Reform and Social Responsibility Act 2011.

Credit arrangements

An arrangement other than borrowing where the use of a capital asset is acquired and paid for over a period of more than one year. The main types of credit arrangements are PFI agreements and finance leases of buildings, land and equipment.

Creditors

Individuals or organisations to which the Group owes money at the end of the financial year.

Debtors

Individuals or organisations that owe the Group money at the end of the financial year.

Democratic core costs

This includes all aspects of MOPAC activities in a democratic capacity, including corporate, programme and service policy making and more general activities relating to governance and the representation of local interests. To give MOPAC maximum flexibility in reflecting its own constitutional arrangements, there are no recommended subdivisions of service.

Employee costs

The salaries and wages of police officers, police staff and MOPAC staff together with National Insurance, pension and all other pay-related allowances. Training expenses and professional fees are also included.

Finance lease

A finance lease normally involves payment by a lessee to a lessor of the full cost of the asset, together with a return on the finance provided by the lessor. The lessee has substantially all the risks and rewards associated with ownership of an asset, other than legal title.

Government grants

Part of the cost of the service is paid for by central government from its own tax income. Grant income is partly received through the S102 payments made by the GLA. In addition, the Home Office pays specific grants direct to the Group towards both revenue and capital expenditure.

Group

The term Group refers to Mayor's Office for Policing And Crime (MOPAC) and Commissioner of Police of the Metropolis (CPM).

Long term debtors

Amounts due to the Group where payment is to be made by instalments over a pre-determined period of time in excess of one year.

Mayor's Office for Policing And Crime (MOPAC)

MOPAC is a separate corporation sole, which was established on 16 January 2012 under the Police Reform and Social Responsibility Act 2011.

Minimum Revenue Provision

The prudent amount that the Group is statutorily required to set aside from revenue funds to meet the repayment of borrowing undertaken to support capital investment.

Non distributed costs

This consists of charges for police officers and police staff early retirements and any depreciation and impairment losses chargeable to non-operational properties.

National Police Chiefs' Council (NPCC)

The NPCC brings police forces in the UK together to help coordinate operations, reform, improve and provide value for money.

National Police Coordination Centre (NPoCC)

NPoCC is responsible for coordinating the deployment of officers and staff from across the UK policing to support forces during large scale events, operations and in times of national crisis.

Operating lease

An operating lease involves the lessee paying a rental for the hire of an asset for a period of time that is substantially less than its useful economic life. The lessor retains most of the risks and rewards of ownership.

PCSPS

The Principal Civil Service Pension Scheme is the scheme used to provide pension benefits to police staff.

Provision

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

Revenue expenditure

The operating costs incurred by the organisation during the financial year in providing its day to day services. Distinct from *capital expenditure* on projects which benefit the organisation over a period of more than one financial year.

Revenue reserves

Accumulated sums that are maintained either earmarked for specific future costs (e.g. pensions) or generally held to meet unforeseen or emergency expenditure (e.g. General Reserve).

Special service agreements

Policing the Airports, Houses of Lords and Commons, Palace of Westminster are the main items included under this heading.