

**Report of the Chief Finance Officer for the PCC to the Chair
and Members of Audit Committee
23rd February 2026**

**Executive and Presenting Officer: Mr M Porter, PCC CFO
Status: For Decision**

Title: Statement of Accounts 2024/25

1 Purpose

1.1 The purpose of this report is to enable Members of the Joint Independent Audit Committee to discharge their responsibilities in relation to the Statement of Accounts for the PCC and CC as set out in the Terms of Reference for the Committee, which are specifically to:

- Review the Annual Statement of Accounts and make recommendations or bring to the attention of the PCC or CC, any concerns or issues.
- Consider whether appropriate accounting policies have been followed and any changes to them.

1.2 In addition to these responsibilities the Terms of Reference also contain the following, which can be discharged through items elsewhere on today's agenda, but which are linked to the Statement of Accounts process:

- Reviewing the external auditor's Audit Completion Report and any other reports.
- Reporting on these to the PCC and Chief Constable of Cleveland Police as appropriate and including progress on the implementation of agreed recommendations.
- Reviewing External Auditor's Annual Audit Letter and making recommendations as appropriate to the PCC and Chief Constable of Cleveland Police.

1.3 Attached to this report are the Statement of Accounts for the Group and PCC, and also the Accounts for the Chief Constable, while also included on today's agenda are the External Auditors Annual Audit Report and the Audit Completion Report.

2 Recommendations

Members are asked:

- 2.1 Consider whether there are any concerns arising from the financial statements, which are appended to this report, or from the Audit that need to be brought to the attention of the PCC and/or Chief Constable prior to them formally signing off the accounts.
- 2.2 To review the accounting policies as set out in the Statement of Accounts. These policies are used consistently throughout the sets of accounts attached to this report.
- 2.3 To note that on 30 September 2024, the Accounts and Audit (Amendment) Regulations 2024 ('The Amendment Regulations') came into force. The Amendment Regulations require the PCC and Group to publish its Accountability Statements, which include the financial statements and auditor's opinion for the year ended 31 March 2025, by 27 February 2026 ('the backstop date').
- 2.4 To note that the accounts pending to this report are '**Unqualified**' by the External Auditors, as set out within their Audit Completion Report.

3 Reasons

- 3.1 Under the amended Account and Audit Regulations, local authorities, including Police and Crime Commissioners, are required to publish the unaudited Statement of Accounts for the financial year ending 31st March 2025 by 30th June 2025.
- 3.2 Members received the draft accounts at their meeting on the 26th June and the accounts were provided for Audit by the statutory deadline.
- 3.3 In line with the requirements to do so the public were given an opportunity to [inspect the accounts](#).
- 3.4 In undertaking a review of the Statement of Accounts the Audit Committees' role is essentially to provide assurance to the PCC and CC and to the wider stakeholder base that they conform to proper practices.
- 3.5 The Police Reform and Social Responsibility Act 2011 established both the PCC and CC as separate 'corporations sole' which has therefore necessitated the production of 2 sets of accounts. These are attached to this report as follows:
 - Group and PCC Statement of Accounts – 2024/25
 - Chief Constable of Cleveland – Statement of Accounts 2024/25

- 3.6 The changes that have been made to the draft Statement of Accounts since authorisation by the CFOs in June, which were provided to Members of this Committee in draft at their June meeting along with the following summary financial overview, are referenced in the Audit Completion Report from the External Auditors which is included elsewhere on today's agenda.
- 3.7 None of the changes have impacted on the Outturn.
- 3.8 The External Auditors have set out within the Audit Completion Report that '*At the time of issuing this report and subject to the satisfactory conclusion of our remaining audit work, we anticipate issuing an **unqualified opinion** without modification*'
- 3.9 The External Auditors expect to conclude that in relation to the Accounts appended to this report 'In our opinion, the financial statements:
- give a true and fair view of the financial position of the PCC and Group as at 31st March 2025 and of the PCC and Group's expenditure and income for the year then ended; and
 - have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

4 Implications

4.1 Finance

There are no financial implications other than those mentioned above.

4.2 Diversity & Equal Opportunities

There are no issues arising from this report to bring to Members attention.

4.3 Human Rights Act

There are no Human Rights Act Implications from this report.

4.4 Sustainability

This report is part of the governance arrangements to oversee and assess the sustainable financial position of the PCC.

4.5 Risk

Incorrectly prepared Statement of Accounts may materially misrepresent the financial position of the PCC, CC and PCC Group, giving rise to risks to reputation, service and financial planning processes, as well as exposure to additional costs. Adherence to proper practices, the closure processes undertaken within the Force, combined with reviews by the PCC CFO and CC CFO are designed to mitigate such risks.

5 Conclusion

The role of the Audit Committee in reviewing the statement(s) of accounts is set out in the agreed terms of reference. This report is to provide Members of the Committee with the required information for them to discharge this role.

Both Chief Finance Officers are responsible for the preparation of the Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and both will sign the Statement of Accounts stating that 'They give a true and fair presentation of the financial position of their organisations at the accounting date.'