YORKSHIRE DALES
National Park Authority

YORKSHIRE DALES NATIONAL PARK AUTHORITY

DRAFT STATEMENT OF ACCOUNTS

2025/2026

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Statement of Accounts

Narrative Report

Introduction

1. The Yorkshire Dales National Park Authority (the Authority) was constituted on 1 April 1997 under the Environment Act 1995.

2. The statutory purposes of English National Parks are set out in Section 61 of the Environment Act 1995. The Authority's role is clearly defined in Parliament by two statutory purposes:

    - To conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park;
    - To promote opportunities for the understanding and enjoyment of the special qualities of the National Park by the public.

3. The National Park Authorities also have a duty under Section 62(1) of the Environment Act in taking forward the national park purposes:

    - To seek to foster the economic and social well-being of local communities within the National Park.

4. The vision and objectives of the Authority are largely determined by the statutory National Park Management Plan which is developed together with partner organisations, on a five-year cycle (2025-2030).

    https://www.yorkshiredales.org.uk/about/national-park-management-plan/

5. The Corporate Plan is developed from the National Park Management Plan to implement the objectives in the latter; and then further refined into an annual action plan. Both documents can be found on our website under:

    https://www.yorkshiredales.org.uk/park-authority/how-we-work/corporate-plan/

6. The Authority's achievements against objectives are reported annually. Reports for 2025/26 will be published on our website when complete under:

    Annual Reports: Corporate Plan progress 2025-26

    https://www.yorkshiredales.org.uk/park-authority/how-we-work/corporate-plan/

7. Good progress was made on most of the Authorities objectives in 2025/26, highlights included:

    Corporate Plan progress 2025-26 paper:
    https://www.yorkshiredales.org.uk/park-authority/how-we-work/corporate-plan/

    - £1.5 million in grants paid to farmers and land managers through the Farming in Protected Landscapes (FiPL) programme, supporting farm businesses and bringing benefits for nature, climate, people and place;

- 88% of Public Rights of Way reported to be ‘Easy to Use’ – maintaining an average of 90% over the past five years;
- Launched a digital Access Hub, and made significant improvements to the accessibility of routes at Cautley, Aysgarth, Stainforth, Grassington, Hawes;
- Over 1,300 activity days provided for under-served groups that enable them to access the special qualities of the National Park, and increase their understanding, enjoyment, health and well-being;
- Over 2,000 young people from in and around the National Park inspired to explore and enhance their environment;
- The final full year of Tees-Swale: Naturally Connected was completed, including works to reduce pollution from historical lead-mining sites in Swaledale;
- Supported planting of 276 ha of native broadleaved and mixed woodland over the last 5 years, including 24 ha this year through Grow Back Greener;
- 73% of ‘minor’ and 88% of ‘other’ planning applications determined within Government target times or agreed extensions.
- The new Coast-to-Coast path National Trail formally opened in March. 2.2km of flagging at White Mossy Hill was completed, 7 creation agreements were implemented, 12 diversion orders and 1 creation order;
- £111,000 in grants from the Sustainable Development Fund, helping to support 16 local projects worth almost £370,000;
- Completed the Examination hearings stage and issued the final consultation on the Main Modifications for the new Local Plan;
- A new statutory National Park Management Plan (2025-30) was completed and launched by the NPMP Partnership;
- Gross expenditure of £13.4m (£3.5m ahead of our objective) albeit slightly down from 2024/25’s record high;

8. The membership of the Yorkshire Dales National Park Authority is set out in legislation (Environment Act 1995). The role of the twenty-five Members is to ensure that the Authority fulfils National Park Purposes.

9. Members have a duty to achieve the efficient, effective and accountable governance of the organisation in the best interests of the National Park, and to provide leadership, scrutiny and direction in pursuing the aim of sustainable development – balancing and integrating environmental, social and economic considerations.

10. Fifteen Members are appointed from four local Councils. 10 members are from North Yorkshire Council, 3 from Westmorland and Furness Council, 1 from Lancaster City Council and 1 from Lancashire County Council.

11. Ten Members are appointed by the Secretary of State; of these ten, six are 'national' appointments, in recognition of the national status of the area, and four come from the parishes in the National Park.

12. In December 2024, the Authority co-opted two young Members for a two-year term to increase the diversity of voices on the Finance and Resources Committee. Whilst they do not have voting rights, our objective is to bring views from communities, sectors or groups whose voices are not often heard in our discussions. These include, but are not limited to, young people and people from underepresented communities who are often users of the National Park but are not well represented in our formal structures. Details about our Members can be found on our website under:

    https://www.yorkshiredales.org.uk/park-authority/how-we-work/our-people/members/meet-the-members/

13. Details of our various committees and reports from those committees can be found on our website under:

    https://www.yorkshiredales.org.uk/park-authority/how-we-work/committee-meetings/

14. At the 31 March 2026, the Authority employed 167 full and part time staff (106 women and 61 men). This equates to 133.2 full-time equivalent posts (118.5 FTE established posts and 14.7 FTE temporary posts).

15. Included in the above staff numbers were the Chief Executive Officer and 3 Directors (1 female and 3 males).

16. The Authority's accounts for the year ended 31 March 2026 are presented in the format laid down in the Code of Practice on Local Authority Accounting in the United Kingdom: 2025/26 ('The Code') published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and approved by the Accounting Standards Board. The Statements included in the accounts are as follows:

    a) **Narrative Report –** the purpose of this is to indicate the most significant matters impacting on the Authority's financial position. In particular, it describes the Authority's financial performance and the economy, efficiency and effectiveness of its use of resources.

    b) **Movement in Reserves Statement –** this shows the movement in the year on the different reserves held by the Authority, analysed into 'usable reserves' and other reserves. The Surplus on the Provision of Services line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. The net increase/decrease before the Transfers to Earmarked Reserves line shows the General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.

    c) **Comprehensive Income and Expenditure Statement –** this shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices. It shows income receivable and expenditure incurred in the year by the Authority in order to undertake its activities and services. It includes gains or losses relating to the revaluation of assets and the actuarial valuation of the pension fund assets and liabilities, which do not arise out of the Authority's provision of services.

d) **Expenditure and Funding Analysis –** this demonstrates how the funding available to the Authority for the year has been used in providing services in comparison with those resources consumed or earned by the Authority.

e) **Balance Sheet –** this shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The total net asset value of the Authority (assets less liabilities) is matched by the value of the total reserves held by the Authority. Reserves are reported in two categories, the first being usable reserves that may be used to provide services subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second being reserves that cannot be used to provide services. This includes 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 Movement of Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

f) **Cash Flow Statement –** this shows the change in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generated and used cash and cash equivalents, classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of grant income or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been paid for from resources which are intended to contribute to the Authority's future service delivery.

Accounting Policies

17. These accounts are supported by a Summary of Significant Accounting Policies detailing the basis upon which the accounts have been prepared and estimation techniques used. Supplementary notes provide further information on the figures stated in the accounting statements.

Annual Governance Statement

18. Annual Governance Statement – this statement sets out the framework for financial control and corporate governance which the Authority has in place to ensure that its business is conducted in accordance with the law and proper standards and that public money is safeguarded. It is included at the end of this document but does not form part of the Statement of Accounts.

Local Government Pension Scheme

19. The Authority is an admitted body to the North Yorkshire Pension Fund ('The Fund'), which is part of the Local Government Pension Scheme (the 'LGPS').

20. The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by the following disclosure are set out in 'The Local Government Pension Scheme Regulations 2013' and 'The Local Government Pension Scheme (Amendment) Regulations 2020 & 2023'. Additional future amendments are laid out in 'The Local Government Pension Scheme (Amendment) Regulations 2026'.

21. Change in net position on the Local Government Pension Scheme (LGPS):

    - Attention is drawn to Note 31, which discloses the status of the Authority's overall liability in relation to its participation in the LGPS. As at 31 March 2026, the *net deficit* (assets minus liabilities) stood at **£0.014m**, which is the same as 2024/25, this figure relates solely to the unfunded scheme. The actual status of the funded scheme was positive by £13.1m (£13.3m 2024/25) but is presented as zero due to the following asset ceiling calculation.
    - IAS 19 Employee Benefits (2011) limits the measurement of the defined benefit asset to the 'present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.' IFRIC 14 addresses the interaction between a minimum funding requirement and the limit placed by paragraph 64 of IAS 19 on the measurement of the defined benefit asset or liability.

    Under these rules the surplus pension asset shown in the funded scheme on the balance sheet is reduced to zero, and in the unfunded scheme a £0.014m liability is shown.

22. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole is shown in the disclosures. The Fund holds a significant proportion of its assets in liquid investments.

23. Asset volatility: The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields at the accounting date. If assets underperform this yield this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

24. Liabilities increased by £3.8m. An decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the decrease in the assets as a result (to the extent the Fund invests in corporate bonds).

25. The majority of the Fund's obligations are to provide benefits for the life of the members following their retirement, so decreases in their life expectancy will result in a decrease in the liabilities.

26. The impact of any known experience affecting the liabilities; the standard approach is to allow for any CPI inflation published at the accounting date, which will cover a period ending up to 1 month prior to the accounting date. CPI inflation affects the value of pensions in payment, deferred benefits, and active pension accounts.

Summary of Revenue Spending

27. The main components of the budget for 2025/26 and a comparison with the actual position are set out below. These figures are prior to the charges for the use of assets, and other technical accounting adjustments.

	Actual	Budget	Variance
Expenditure	£'000	£'000	£'000
Conservation of Natural Environment	3,129	3,815	685
Conservation of Cultural Heritage	172	217	45
Recreation Management	3,393	3,322	(71)
Promoting Understanding	2,613	2,809	196
Rangers, Estate Services & Volunteers	500	529	28
Development Control	918	891	(28)
Forward Planning	366	546	180
Corporate Management	2,266	2,180	(86)
Total Expenditure	**13,357**	**14,307**	**950**
Income			
Conservation of Natural Environment	(2,376)	(2,935)	(559)
Conservation of Cultural Heritage	(19)	(40)	(21)
Recreation Management	(2,787)	(2,488)	299
Promoting Understanding	(1,061)	(1,126)	(65)
	Actual	**Budget**	**Variance**
Rangers, Estate Services & Volunteers	(22)	(41)	(18)
Development Control	(305)	(457)	(152)
Forward Planning	(248)	(243)	5
Corporate Management	(353)	(296)	57
Total Income	**(7,172)**	**(7,626)**	**(455)**
Net Expenditure	**6,186**	**6,681**	**495**
Financed By:			
National Park Grant	(5,901)	(5,901)	0
Balance from reserves	284	780	495
	6,186	**6,681**	**495**

28. The net outturn position for the year is a positive variance of £495k. After taking account of the proposed carry-forward budgets for projects totalling £320k this leaves a positive variance of £175k (1.2% of the budget).

29. Putting the results into context, the 2025/26 budget contained the following objective:

- Plan and manage the Authority's work to make the most effective use of its resources, including generating sufficient income to maintain expenditure at the same level as 2014/15 in real terms.

For 2024/25, that meant securing enough income to support expenditure of **£9.9m**. The actual expenditure of **£13.4m** exceeded that target by **£3.5m,** and income of **£13.1m** was received against a budget of **£13.5m**.

30. Further movements which are not reflected in the above figures at 31 March 2026 are outlined in the Expenditure and Funding Analysis.

31. The Usable Reserves balance of **£4,384k** carried forward are all Earmarked Reserves. Note 6 of the SOFA details the Earmarked Reserves.

32. Revenue Working Balance: The Authority prudently seeks to maintain a permanent balance sheet reserve as a contingency against unexpected events. At present, the Authority has a target for the level of this contingency reserve to be set at 10% of total budget spend in 2026/27, which is met by the current level of the Contingency Reserve (**£1,454k**).

33. Future Funding: The largest single source of funding for the Authority is the core grant from DEFRA, which was £5.9m including £1.6m Capital in 2025/26. A three year settlement has been indicated by DEFRA which is a flat settlement each year of £5.9m including the £1.6m Capital, plus a one-off grant of £1.72m revenue in 2026/27 to assist with the revenue deficits across years 2026/27-2028/29; years 2 & 3 are indicative.

34. Major Capital Investments in 2025/26, the Authority did not require borrowing to finance the capital programme:

    - IT Equipment
    - Langcliffe Ranger Base Building
    - Malham National Park Centre Refurbishment
    - Dales Countryside Museum Refurbishments
    - Toilet Refurbishments
    - Solar Panels
    - Car park Resurfacing
    - Leased Vehicle Replacements
    - Plant

35. Provisions and Contingencies:

Absence Provisions	**31 March 2025 £'000**	**31 March 2026 £'000**
Opening Balance	61	58
Amounts used in year	(61)	(58)
Additional provision	58	59
Short Term Provision	58	59

Changes in Accounting Policies and Presentation of the Accounts

36. The policies are set out formally in the Summary of Significant Accounting Policies. The policies adopted in 2025/26 are compliant with the Code of Practice on Local Authority Accounting in the United Kingdom: 2025/26.

37. There have been no changes in policy.

Michelle Clyde
Treasurer to the Yorkshire Dales National Park Authority

Finance Department, Yorkshire Dales National Park Authority, Yoredale, Bainbridge, Leyburn, North Yorkshire, DL8 3EL

Statement of Responsibilities for the Statement of Accounts

The Authority is required:

a) to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. For the Authority, that officer is the S151 Treasurer;
b) to manage its affairs to secure the economic, efficient and effective use of resources and to safeguard its assets; and
c) to approve the Statement of Accounts.

The S151 Treasurer is responsible for the preparation of the Authority's Statement of Accounts, in accordance with proper practices set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing the statement of accounts, the S151 Treasurer has:

a) selected suitable accounting policies and applied them consistently;

b) made judgements and estimates that were reasonable and prudent, and;

c) complied with the Code.

The S151 Treasurer has also:

a) kept proper accounting records that were up to date; and

b) taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the S151 Treasurer

I certify that the Statement of Accounts presents a true and fair view of the financial position of the Yorkshire Dales National Park Authority at the accounting date and the income and expenditure for the year ended 31 March 2026.



…….
Michelle Clyde
S151 Treasurer
Yorkshire Dales National Park Authority

22 June 2026

Approval of the Statement of Accounts on Behalf of the Yorkshire Dales National Park Authority

I confirm that this Statement of Accounts for 2025/26 was approved on behalf of the Authority at the meeting of the Finance and Resources Committee on 23 February 2027.

……
Chair of the Finance & Resources Committee

23 February 2027

Independent auditor's report to the members of Yorkshire Dales National Park Authority

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Core Financial Statement

Movement in Reserves Statement

	Note	General Fund Balance	Earmarked General Fund Reserve	Capital Grants Unapplied	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
		£000	£000	£000	£000	£000	£000
Balance at 31 March 2025	BS	**(618)**	**(4,089)**	**0**	**(4,706)**	**(12,579)**	**(17,285)**
(Surplus)/Deficit on the provision of services	IS	**(903)**	**0**	**0**	**(903)**	**0**	**(903)**
Other Comprehensive Income and Expenditure	IS	0	0	0	0	597	597
Total Comprehensive Income and Expenditure		**(903)**	**0**	**0**	**(903)**	**597**	**(306)**
Adjustment between accounting basis and funding basis under regulations	5	1,226	0	0	1,226	(1,226)	0
Net decrease/(increase) before transfers to Earmarked Reserves		**323**	**0**	**0**	**323**	**(629)**	**(306)**
Transfers (to)/from Earmarked Reserves	6	295	(295)	0	0	0	0
Decrease/(Increase) in 2025/26	BS	**617**	**(295)**	**0**	**323**	**(629)**	**(306)**
Balance at 31 March 2026	BS	**(0)**	**(4,384)**	**0**	**(4,384)**	**(13,208)**	**(17,591)**
Restated							
Balance at 31 March 2024	BS	**(142)**	**(4,295)**	**0**	**(4,437)**	**(14,281)**	**(18,718)**
Deficit on the provision of services	IS	91	0	0	91	0	91
Other Comprehensive Income and Expenditure	IS	0	0	0	0	1,342	1,342
Total Comprehensive Income and Expenditure		**91**	**0**	**0**	**91**	**1,342**	**1,433**
Adjustment between accounting basis and funding basis under regulations	5	(361)	0	0	(361)	361	0
Net decrease/(increase) before transfers to Earmarked Reserves		**(270)**	**0**	**0**	**(270)**	**1,702**	**1,433**
Transfers (to)/from Earmarked Reserves	6	(206)	206	0	0	0	0
Decrease/(Increase) in 2024/25	BS	(476)	206	0	(270)	1,702	1,433
Balance at 31 March 2025	BS	(618)	(4,089)	0	(4,706)	(12,579)	(17,285)

Comprehensive Income and Expenditure Statement

For the year ending 31 March 2026

2024/25					2025/26		
Gross Expenditure	Income	Net Expenditure	Heading	Note	Gross Expenditure	Income	Net Expenditure
£000	£000	£000			£000	£000	£000
4,516	(3,650)	866	Conservation of the Natural Environment		3,134	(2,343)	792
208	(55)	154	Conservation of Cultural Heritage		173	(19)	154
3,043	(2,874)	169	Recreation Management and Transport		3,075	(2,787)	288
2,386	(1,201)	1,185	Promoting Understanding		2,446	(1,061)	1,385
463	(27)	436	Rangers, Estate Services and Volunteers		503	(22)	481
831	(241)	590	Development Control		923	(305)	618
400	0	400	Forward Planning		366	(248)	118
2,160	(125)	2,035	Corporate and Democratic Core		2,312	(59)	2,253
0	0	0	Non Distributed Costs		0	0	0
14,008	**(8,174)**	**5,834**	**Cost of Services**		**12,933**	**(6,844)**	**6,088**
		26	Net Loss/(Gain) on disposals of Fixed Assets	8			(18)
		(275)	Interest and Investment Income	2			(273)
		3	Leased Assets Interest Cost	2			21
		615	Revaluation losses/(gains) against previous losses in Comprehensive income and Expenditure	2			(34)
		(383)	Pension Interest Cost and Expected Return on Pension Assets	30			(785)
		(14)	**Financing and Investing Income and Expenditure**				**(1,090)**
		5,821	**Net Operating Expenditure**				**4,998**
		(5,730)	National Park Grant	7			(5,901)
		91	**Net Deficit/(Surplus)on Provision of Services**				**(903)**
		1,243	Revaluation losses/(gains) on Property, Plant and Equipment	8			(110)
		99	Actuarial losses on pension assets and liabilities	30			707
		1,342	**Other Comprehensive Income and Expenditure**				**597**
		1,433	**Total Comprehensive Income and Expenditure**				**(306)**

Balance Sheet as at 31st March 2026

31 March 2025 £000		Note	31 March 2026 £000
12,648	Property, Plant & Equipment	8	13,253
7	Heritage Assets	9	7
	Intangible Assets	10	42
137	Leased Assets	11	398
20	Long Term Investments	12	0
12,811	**Long Term Assets**		**13,698**
124	Inventories	14	147
44	Short Term Investments	12	20
1,142	Short term Debtors	15	1,393
5,367	Cash and Cash Equivalents	17	5,478
6,678	**Current Assets**		**7,038**
(58)	Short Term Provisions	19	(64)
(30)	Leased Assets Liability	11	(119)
(1,993)	Short Term Creditors	18	(2,650)
(2,080)	**Current Liabilities**		**(2,833)**
(110)	Leased Assets Liability	11	(298)
(14)	Pension Liability	31	(14)
(124)	**Long Term Liabilities**		**(312)**
17,285	**NET ASSETS**		**17,591**
4,089	Earmarked Reserves	6	4,384
617	General Fund Balance	6	0
4,706	**Usable Reserves**	6	**4,384**
8,177	Revaluation Reserve	22	8,280
4,474	Capital Adjustment	23	5,000
(14)	Pension Reserve	24	(14)
(58)	Provision Reserve	19	(59)
12,579	**Unusable Reserves**		**13,208**
17,285	**TOTAL RESERVES**		**17,591**

I confirm these Accounts were approved by the Yorkshire Dales National Park on XXXXX 2027.

Signed on behalf of the Authority

……..
Chair of the Finance & Resources Committee

Cash Flow Statement
As at 31st March 2026

31 March 2025 £000	Operating Activities	Note	31 March 2026 £000
(91)	**Net (Deficit)/Surplus on provision of services**		**903**
230	Depreciation	8/10/11	333
120	Decrease in creditors	18	657
126	Increase/(Decrease) in debtors	15	(251)
(19)	Increase in inventories	14	(23)
(101)	Pension Liability	24	(707)
615	Decrease/(Increase) in Revaluation of assets	8	(34)
28	Carrying amount of non-current asset disposal	8	3
(4)	(Decrease)/Increase in provisions	19	6
995	**Adjustment to net surplus on the provision of services for non-cash movements**		**(15)**
(2)	Adjustments for items included in the net surplus on the provision of services that are investing and financing activities	8	(22)
903	**Net Cashflows from Operating Activities**		**866**
	Investing Activities		
2	Income from sale of asset	8	22
(394)	Purchase of property, plant and equipment	8	(740)
(153)	Leased property, plant and equipment	11	(358)
(546)	**Net Cashflows from Investing Activities**		**(1,077)**
	Net Cashflows from Financing Activities		
36	Decrease in Short and Long Term Investments	13	44
140	Increase in outstanding liabilities relating to finance leases	11	277
176			**322**
532	**Net increase in cash and cash equivalent**		**111**
4,835	Cash or cash equivalents at the start of the reporting period	BS	5,367
5,367	**Cash or cash equivalents at the end of the reporting period**	**BS**	**5,478**

Notes to the Core Financial Statements

1. Summary of Significant Accounting Policies

a. General

The Statement of Accounts summarises the Authority's transactions for the 2025/26 financial year and its position at the year end of 31 March 2026. It has been prepared in accordance with the statutory framework established for England by the 'Accounts and Audit (England) Regulations 2015' (Amendment 2024), which require accounts to be prepared with proper accounting practices. The accounting policies adopted have been used consistently throughout the current and prior period.

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

b. Going Concern

The concept of a going concern assumes that an authority's functions and services will continue in operational existence for the foreseeable future. The provisions in the Code in respect of going concern reporting requirements reflect the economic and statutory environment in which local authorities operate. These provisions confirm that, as authorities cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.

Local authorities carry out functions essential to the local community and are themselves revenue raising bodies (with limits on their revenue raising powers, arising only at the discretion of central government). If an authority were in financial difficulty, the prospects are thus that alternative arrangements might be made by central government either for the continuation of the services it provides or for assistance with the recovery of a deficit over more than one financial year. As a result of this, it would not therefore be appropriate for local authority financial statements to be provided on anything other than a going concern basis. The Authority accounts are therefore produced under the Code and assume that services will continue to operate for the foreseeable future.

The Authority has to evaluate going concern for a period of at least 12 months from the date of approval of the financial statements. General Reserves of £500k, and Contingency Reserves of £1,454k provide sufficient cover should the Authority need to call on them. Such a call can happen when the DEFRA core grant which is normally paid in advance each quarter, is paid late, and the Authority is obliged to use its reserves to temporarily cover the shortfall.

The short-term available cash of £5.4m at the balance sheet date is sufficient to finance more than 4 months of expenditure at approximately £1.2m per month. During this period the Authority's forecasted cash position would remain in positive position.

c. Accruals of Income and Expenditure

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

- Revenue from sales of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- 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 are recorded as expenditure when the services are received rather than when the payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

d. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of any bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

e. Prior Period Adjustments, Changes in Accounting Policies and 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 Authority's financial position or financial performance. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the policy had always been applied.

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

f. Charges to Revenue for Non-Current Assets

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

- Depreciation attributable to the assets used by the relevant service, and
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which losses can be written off.
- Revaluation gains are credited to the Revaluation Reserve except where there has been a previous loss written off.

Depreciation, revaluation and impairment losses are replaced by the contribution in the General Fund Balance by way of an adjusting transaction within the Capital Adjustment Account in the Movement in Reserves Statement.

g. 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 benefits such as salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of any type of leave entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but is then reversed out through the Movement in Reserves Statement so that such benefits are charged to revenue in the financial year in which such absences occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the service lines in the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer.

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

h. Post-Employment Benefits

Subject to certain qualifying criteria, employees are eligible to join the North Yorkshire Local Government Pension Scheme, administered by North Yorkshire Council, which provides members with defined benefits earned as employees working for the Authority.

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The liabilities of the pension fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and projections of earnings for current employees.

- The assets are included in the Balance Sheet at fair value;
    - quoted securities at current bid price;
    - unquoted securities at professional estimate;
    - unitised securities at current bid price;
    - property at market value.

- The change in the net pensions liability is analysed into seven components:

    - current service cost – the increase in liabilities as a result of years of service earned this year, allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked;
    - past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years, debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs;
    - interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement;
    - expected return on assets – the annual investment returns on the fund assets attributable to the Authority, based on an average of the expected long-term return, credited to the Financing & Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement;
    - gains or losses on settlements and curtailments – the results of actions to relieve the Authority of liabilities or events that reduce the expected future service or accrual of benefits of employees, debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs;
    - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions, debited or credited to the Pensions Reserve; and
    - contributions paid to the North Yorkshire Local Government Pension Scheme – cash paid as employers' contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

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

i. Financial Instruments

Financial Instruments are formally defined within The Code as contracts that give rise to a financial asset of one entity and a matching financial liability or equity instrument of another entity. The term financial instrument covers both financial assets and financial liabilities and covers both the most straightforward financial assets and liabilities such as trade receivables and trade payables and the most complex ones such as derivatives.

Accounting policies have been applied in line with The Code for Financial Instruments.

j. Treasury Management

The Authority has an arrangement with North Yorkshire Council whereby the balance of the Authority's bank account is merged each day with the balances of the Council and several other organisations. These balances are then invested by North Yorkshire Council and interest is paid to the Authority based on the actual overall interest rate achieved.

k. Grants

Grants are assistance in the form of transfers of resources to the Authority in return for past or future compliance with certain conditions relating to the operation of activities. Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is a reasonable assurance that:

- the Authority has complied with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Authority are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contributions have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, and if not future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet. When conditions are satisfied, the grant or contribution is credited to the relevant service line or Non Specific Grant Income in the Comprehensive Income and Expenditure Statement.

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

l. Inventories

Inventories are included in the Balance Sheet at the lower of cost price and net realisable value.

m. Leases

The Authority as a Lessee

The authority classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use.

The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options.

The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

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

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

However, for peppercorn (low value or nil) leases, the asset is measured at fair value.

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

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

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

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.
The lease liability is subsequently measured at amortised cost, using the effective interest method.

The liability is remeasured when:

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

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

Low value and short lease exemption
As permitted by the Code, the authority excludes leases:

- for low-value items that cost less than £10,000 when new, provided they are not highly dependent on or integrated with other items, and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

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

The cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the I&E balance in the Movement in Reserves Statement.

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

Operating Leases
Where the Authority 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 other operating expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease or where this is initiated by a service to the individual service, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

n. Overheads and Support Services
Costs of management and administration are not re-allocated to the other cost headings within the accounts but are shown as Corporate and Democratic Core costs on the face of the Comprehensive Income and Expenditure Account.

o. Property Plant and Equipment
Assets that have a physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment. Intangible assets are those without a physical substance such as websites and software.

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

Measurement
Assets are initially measured at cost, comprising;

- the purchase price; and
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of an asset acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have a commercial substance. Where the asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Authority.

Donated assets are initially valued at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the balance sheet at Fair Value as determined by IFRS13 Fair Value Measurement. Fair Value is the price that would be received from selling an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Operational Property Plant and Equipment is measured per The CIPFA Code at Current Value Measurement; this is its existing use value. Specialised assets are valued at Depreciated Replacement Cost.

Property Plant and Equipment is valued on the basis required by CIPFA in accordance with the Statements of Asset Valuation Principles and Guidance notes issued by The Royal Institution of Chartered Surveyors (RICS). The last full revaluation was undertaken on 31 March 2023 by Align Property Services.

Assets are classified into the groupings required by the Code in the United Kingdom.

- Land, operational properties and other operational assets are included in the Balance Sheet at existing use value, net of depreciation.

Assets included in the Balance Sheet are re-valued by:

- A quinquennial revaluation supplemented by annual indexation in intervening years.
- For non-property assets only, appropriate indices.

Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of an impairment loss previously charged to the Revenue Account.

On an annual basis all assets are reviewed for evidence of impairment (a decline in their realisable value due to specific events) by suitably qualified property professionals in line with the guidance in The Code. Where impairment is identified as part of this review or as a result of a valuation exercise, this is accounted for as follows:

- Where attributable to the clear consumption of economic benefits – the loss is charged to the Comprehensive Income and Expenditure Statement: or

- Otherwise – written off against any revaluation gains attributable to the relevant asset in the Revaluation Reserve, with any excess charged to the Comprehensive Income and Expenditure Statement.

De-Minimis
Single assets below the value of £1k will not be recorded in the asset register and will be expensed in the Comprehensive Income and Expenditure Statement in the appropriate service line unless the terms of a grant require it to be applied to capital expenditure. A separate asset directory is maintained recording all assets over £150 or of a portable nature, excluding stationery, retail inventory, and consumables.

Depreciation
Depreciation is provided for on all assets with a finite useful life (which can be determined at the time of acquisition or revaluation) according to the following policy:

- Buildings (but not the land on which they stand) are depreciated over their remaining useful lives depending on the state of repair of the building.

- Vehicles, plant, furniture and equipment are depreciated over their remaining useful lives depending on the nature of the asset. Assets which will not become impaired are not depreciated.

Remaining useful lives are periodically reviewed and the charge to revenue adjusted if appropriate.

Depreciation is calculated using the straight line method with a full year being charged in year one and no depreciation charged in the year of disposal. Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Components
Where an asset has components whose cost is significant in relation to the total cost of the item (30% or more), or with a difference in economic life of 10 years or more, the components are depreciated separately. Items will be assessed under the above criteria when new assets are acquired, or existing assets are revalued.

Disposal of Property Plant & Equipment
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 Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposal are also credited to the same line in the Comprehensive Income and Expenditure Statement. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received on disposals in excess of £10k are categorised as capital receipts and the balance credited to the Usable Capital Receipts Reserve if the receipt is not used in-year to purchase capital assets; it will only be used to finance new capital

investment or set aside to reduce the Authority's underlying need to borrow. Receipts are appropriated to the General Fund Balance in the Movement in Reserves Statement.

Revaluation Reserve
This reserve is used solely to account for changes in asset values (either upwards or downwards) following revaluation.

The Capital Adjustment Account represents amounts set aside from revenue resources to finance expenditure on fixed assets and other capital transactions.

p. Heritage Assets
Heritage Assets are carried on the Balance Sheet. Heritage Assets are non-current assets that are intended to be preserved in trust for future generations because of their historical, artistic, scientific, technological, geophysical or environmental qualities. They are held and maintained principally for their contribution to knowledge and culture.

The Authority has conducted a full review to identify any relevant Heritage Assets. The Authority holds Heritage Assets in the Dales Countryside Museum.

Heritage Assets are measured at valuation where available and the asset is recognised within the Balance Sheet. Valuations are reviewed with sufficient frequency to ensure measurement remains current.

Heritage Assets are not subject to depreciation as they are considered to have indefinite lives.

Heritage Assets below the Authority's normal de-minimis value of £5k are not capitalised.

The assets are viewed on a daily basis by visitors, items of significant value are held in specially designed glass security cabinets, and the building is alarmed.

q. Revenue Expenditure Funded from Capital under Statute (REFCUS)

Revenue Expenditure Funded from Capital under Statute represents expenditure which may be properly capitalised, but which does not result in the creation of any Fixed Asset to the Authority. In line with the guidance contained in The Code, this expenditure is written off to the relevant service within the Comprehensive Income and Expenditure Statement in the year the expenditure is incurred, because the Authority does not control the economic benefits arising from this expenditure. Any statutory provision that allows capital resources to meet the expenditure shall be accounted for by debiting the capital adjustment account and crediting the General Fund balance and showing as a reconciling item in the Movement in Reserves Statement.

r. Provisions and Contingent Liabilities

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

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

Where payments are then made, they are charged to the provision carried in the Balance Sheet. The provisions are reviewed on an annual basis.

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

s. Critical Judgements in Applying Accounting Policy
In applying the accounting policies set out above, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

There is a degree of uncertainty about future levels of funding for local government. However, the Authority had determined that this uncertainty is not currently sufficient to provide an indication that the assets of the Authority might be impaired as a result of a need to close facilities and reduce levels of service provision.

The adoption of IFRS 16 Leases required several key areas of judgment. These included determining the lease term where contracts contained extension or break clauses, assessing whether arrangements contained a lease component, and deciding if cost could be used as a proxy for current value for right-of-use assets. Additional judgments were applied in identifying low-value, variable rent and short-term leases eligible for exemption and in selecting an appropriate discount rate for measuring lease liabilities.

t. Reserves
The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement.

Certain reserves are kept to manage the accounting process for non-current assets, financial instruments, and retirement and employee benefits and do not represent usable resources for the Authority.

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

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, the nature of estimation means that actual outcomes may differ from estimations.

The items in the Authority's Balance Sheet as at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets.	The effects on the net pension liability of changes in individual assumptions can be measured; the figures have been adjusted to present value. A 0.1% p.a. change in the discount rate assumption would result in an approximate net change of £629k plus or £684k minus. A 0.1% p.a. change in salary inflation would result in a net change of £656k plus or minus. A 0.1% change in the pension increase rate would result in a net change of £684k plus or £629k minus. A 1 year change to members' life expectancy would result in a net change of £678k plus or £633k minus.
Buildings	Repairs and maintenance are provided by the Authority to buildings; if there were to be a cut back in Government funding there is a potential that buildings would not be maintained to the same standard and the value could be impaired.	If the useful lives of the buildings are reduced, depreciation charges will increase and the carrying amount of the asset will fall. For every year that the useful life of the asset is reduced, the effect on the accounts is that the annual depreciation charge will change but this is negated by the annual desktop valuation of our assets, which results in a revaluation.
Provisions	Any cuts to the Authority's core Defra grant may lead to unexpected redundancy costs (none planned).	There is potential that there could be additional costs which are currently unquantifiable.

v. Presentation of Accounting Statements

The accounts are presented in the format required by the Service Reporting Code of Practice, in accordance with the Service Expenditure Analysis developed specifically for National Park Authorities.

w. VAT

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

x. Events after the Balance Sheet Date

The Statement of Accounts was authorised for issue by the Chief Financial Officer on 30 June 2026. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of the information.

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

There are no accounting changes due in 2025/26 that are expected to have a material effect on the Authority's financial performance or financial position.

2. Expenditure and Analysis

	Outturn figures	IFRS Adjustments IAS19	Accumulated Absences Account	Capital Assets	Depreciation Adjust.	Interest & Technical Adjustment	MRP Leased Assets	Net Expenditure in Final Accounts
	£000	£000	£000	£000	£000	£000	£000	£000
	1	2	3	4	5	6	7	8
Conservation of Natural Environment	753	8	(3)	0	0	34	0	792
Conservation of Cultural Heritage	152	1	(0)	0	1	0	0	154
Recreation Management	606	6	1	(382)	158	(21)	(81)	288
Promoting Understanding	1,552	8	7	(264)	77	5	0	1,385
Rangers, Estate Services & Volunteers	478	2	0	0	0	0	0	481
Development Control	613	5	(2)	0	2	0	0	618
Forward Planning	118	1	(1)	0	0	0	0	118
Corporate Management & Administration/Training	1,913	46	(1)	(73)	96	273	0	2,253
Net Cost of Services	**6,186**	**78**	**1**	**(719)**	**333**	**291**	**(81)**	**6,088**
Interest Received						(273)		(273)
Net gain on disposal fixed assets				(18)				(18)
Revaluation gains against previous losses in Comprehensive income and Expenditure				.	(34)			(34)
Lease Interest Paid						21		21
Pension Interest Income		(785)						(785)
National Park Grant & Levies	(5,901)							(5,901)
Net (Surplus)/Deficit on Provision of Services	**284**	**(707)**	**1**	**(737)**	**299**	**38**	**(81)**	**(903)**
Surplus on revaluation of non-current assets					(110)			(110)
Actuarial loss on pension assets and liabilities		707						707
Total Comprehensive Income and Expenditure	**284**	**0**	**1**	**(737)**	**189**	**38**	**(81)**	**(306)**
Opening General Fund Balance	**(4,706)**			**Unusable Reserves 2023/24**				**(13,208)**
Surplus on Comprehensive Income and Expenditure	323							(629)
Closing General Fund Balance at 31 March 2025	**(4,384)**			**Unusable Reserves 2024/25**				**(13,837)**

Expenditure and Analysis 2024/25	Outturn figures	IFRS Adjustments IAS19	Accumulated Absences Account	Capital Assets	Depreciation Adjust.	Interest & Technical Adjustment	MRP Leased Assets	Net Expenditure in Final Accounts
	£000	£000	£000	£000	£000	£000	£000	£000
	1	2	3	4	5	6	7	8
Conservation of Natural Environment	809	60	0	(3)	0	0	0	866
Conservation of Cultural Heritage	146	7	0	0	1	0	0	154
Recreation Management	347	45	(1)	(275)	71	(3)	(14)	169
Promoting Understanding	1,107	54	(1)	(54)	78	0	0	1,185
Rangers, Estate Services & Volunteers	421	16	(1)	0	0	0	0	436
Development Control	551	38	0	0	2	0	0	590
Forward Planning	391	9	0	0	0	0	0	400
Corporate Management & Administration/Training	1,690	53	(1)	(61)	78	275	0	2,035
Net Cost of Services	**5,460**	**282**	**(4)**	**(392)**	**230**	**272**	**(14)**	**5,834**
Interest Received						(275)		(275)
Net loss on disposal fixed assets				26				26
Revaluation losses in Comprehensive income and Expenditure				.	641			641
Revaluation gains against previous losses in Comprehensive income and Expenditure				.	(26)			(26)
Lease Interest Paid						3		3
Pension Interest Income		(383)						(383)
National Park Grant & Levies	(5,730)							(5,730)
Net (Surplus)/Deficit on Provision of Services	**(270)**	**(101)**	**(4)**	**(366)**	**845**	**(0)**	**(14)**	**91**
Deficit on revaluation of non-current assets					1,243			1,243
Actuarial loss on pension assets and liabilities		99						99
Total Comprehensive Income and Expenditure	**(270)**	**(2)**	**(4)**	**(366)**	**2,088**	**(0)**	**(14)**	**1,433**
Opening General Fund Balance	**(4,437)**			**Unusable Reserves 2023/24**				**(14,281)**
Surplus on Comprehensive Income and Expenditure	(270)							1,702
Closing General Fund Balance at 31 March 2025	**(4,706)**			**Unusable Reserves 2024/25**				**(12,579)**

3. Segment Reporting Reconciliation from the Outturn

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is that specified by the Service Reporting Code of Practice. This is the same basis used to make decisions about resource allocation, which are taken by the Members of the Authority. However, the outturn reports are prepared on a different basis from the accounting policies used in the financial statements. In particular:

- No charges are made in relation to capital expenditure (whereas depreciation, revaluation and impairment losses in excess of the balance on the Revaluation Reserve and amortisations are charged in the Comprehensive Income and Expenditure Statement).
- Actual capital expenditure and income is included in committee reports but taken out of the Comprehensive Income and Expenditure Statement.
- The cost of retirement benefits included in committee reports is based on payment of employer's pension contributions, rather than current service cost of benefits accrued in the year which is shown on the Comprehensive Income and Expenditure Statement. A full analysis of these differences is provided in the Expenditure and Funding Analysis Statements in note 2.

4. IAS8, Accounting Policies, Changes in Accounting Estimates and Errors

None.

5. Adjustments Between Accounting Basis and Funding Basis Under Regulations

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

	Usable Reserves			2025/26
	General Fund Balance	Capital Receipts Reserve	Capital grants Unapplied	**Unusable Reserves Movement**
	£000	**£000**	**£000**	**£000**
Adjustments involving the Capital Adjustment Account				
Reversal of items debited or credited to the Comprehensive Income and Expenditure statement:				
Charges for depreciation	(333)	0	0	333
Amount of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(3)	0	0	3
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:				
Statutory provision for financing capital investment	81	0	0	(81)

	Usable Reserves			2025/26
	General Fund Balance	Capital Receipts Reserve	Capital grants Unapplied	**Unusable Reserves Movement**
	£000	**£000**	**£000**	**£000**
Capital Expenditure charged against the General Fund	719	0	0	(719)
Adjustments involving the Capital Receipts Reserve:				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	22		0	(22)
Revaluation Gains allocated to the Provision of Services to reverse losses in previous year charged to the Provision of Services	34	0	0	(34)
Adjustments involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (note 24)	105	0	0	(105)
Employers Pension Contributions and direct payments to pensioners payable in the year	602	0	0	(602)
Adjustments in the Accumulated Absences Account:				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from the remuneration chargeable in the year in accordance with statutory requirements	(1)	0	0	1
Total Adjustments	**1,226**	**0**	**0**	**(1,226)**

6. Transfers To and From Reserves

This note sets out the amounts set aside from the General Fund in earmarked reserves. The Authority's policy is that the Contingency Reserve is 10% of total budget expenditure.

Earmarked Reserves	**31 March 25** **£000**	**Movement** **£000**	**31 March 26** **£000**
Non-DEFRA Externally Funded Reserves			
Attracting Families	9	(9)	0
Legacies	106	(32)	74
Operational Reserves			
Contingency (10% budgeted spend)	1,312	142	1,454
Carry Forward Budgets 25/26	549	(549)	0
Carry Forward Budgets 26/27	0	242	242
Matched Funding Reserve	500	0	500
B4RN Broadband Shares	64	(64)	0

	31 March 25	**Movement**	**31 March 26**

Earmarked Reserves	£000	£000	£000
Property, Plant & Equipment Reserves			
IT (5 Year Replacement and Upgrade)	266	90	356
Property (5 Year Maintenance)	77	68	145
Plant & Equipment (5 Year Replacement)	110	(30)	80
Planned works and Ringfenced Matched Funding			
Grow Back Greener	132	0	132
Garsdale to Hawes Project	900	434	1,334
Three Peaks Project	61	5	66
Coast to coast	1	(1)	0
Total Earmarked Reserves	**4,089**	**295**	**4,384**
General Reserve	**617**	**(617)**	**(0)**
Total Usable Reserves	**4,706**	**(323)**	**4,384**

The Authority has determined the source of income behind these Reserves as follows:

- Externally funded reserves derive from income from third parties with specified outcomes for the Authority to deliver. The income is specifically for the given purpose and cannot be used for general National Park spending.

- Operational reserves ensure that the Authority can operate on a going concern basis, keeping enough reserves to cover as yet unknown financial liabilities; project work not completed from 2025/26 which is carried forward into 2026/27, potential liabilities arising from share commitments and to cover the volatility of over half of the budget relying on self-generated income and less on core grant income from DEFRA.

- Property, plant and equipment reserves have been set aside to fund a rolling five-year maintenance programme to ensure the Authorities IT, Property and Ranger equipment can be maintained to a good and safe standard.

a) Planned works and ring fenced matched funding amounts are either commitments the Authority has made to match fund a larger project which is often over more than one year, or for work on a specific action or project in a future year which Members have agreed to set aside budget to cover.

7. Grant Income

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2025/26.

	31 March 2025	31 March 2026

	£000	£000
Credited to Non-Specific Grant Income		
National Park Grant Core Grant	5,730	5,901
Total Non-Specific Grant Income	**5,730**	**5,901**
Credited to Services		
DEFRA	2,789	1,924
Natural England	1,315	1,371
Heritage Lottery Fund	0	6
Environment Agency	45	0
Other Government Agencies	564	579
Other	1,051	313
Total Service Grants	**5,764**	**4,193**
Total Grants	**11,493**	**10,094**

8. Fixed Assets

a) Property Plant and Equipment

Non Current Assets

Movements in 2025/26	**Land and Buildings**	**Vehicles, Plant & Equipment**	**Total Assets**
Cost or Valuation	**£000**	**£000**	**£000**
At 1 April 2025	12,015	878	12,893
Additions	525	165	690
Disposals	0	(63)	(63)
Net Revaluation **decreases** recognised in the Revaluation Reserve	(32)	0	(32)
Net Revaluation **increases** recognised in the Comprehensive Income & Expenditure Statement	34	0	34
At 31 March 2026	**12,542**	**981**	**13,523**

Accumulated Depreciation and Amortisation

Movements in 2025/26	**Land and Buildings**	**Vehicles, Plant & Equipment**	**Total Assets**
Cost or Valuation	**£000**	**£000**	**£000**
At 1 April 2025	36	438	474
Depreciation Charge	124	103	227
Depreciation written out on Revaluation	(142)	0	(142)
Disposals	0	(60)	(60)
At 31 March 2026	**18**	**481.5**	**499**

Net Book Value

At 1 April 2025	11,978	441	12,419
At 31 March 2026	12,524	499	13,023

b) Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

- Buildings (but not the land they stand on) – between 25 and 50 years in line with the revaluation reports.
- IT Equipment - 4 years or relevant estimated useful lives if different.
- Other Plant and Equipment is depreciated over their various estimated useful lives dependant on the type of equipment.

c) Major Capital Schemes

Plant and equipment were replaced at end of life, including IT equipment. A new building was completed and added to the asset register. Indexation was applied to fixed assets as a proxy for revaluation values at 31st March 2026 and revised figures are included in the asset valuations. The new building has been valued at cost. A new web site is included in the intangible assets.

d) Capital Expenditure and Capital Income

The capital expenditure of £740k on purchased Fixed Assets was financed by capital grant of £718k, and by the proceeds on the sale of plant of £22k.

e) Analysis of Fixed Assets

The Authority operates four National Park Centres; one is situated within the Dales Countryside Museum.

Buildings	31 March 2025 Number	31 March 2026 Number
National Park Centres	3	3
Museum/National Park Centre	1	1
Public Conveniences	11	11
Ranger Bases	0	1
Administrative Building	2	2
Total	**17**	**18**

9. Heritage Assets

The Authority owns one Heritage Asset, a local 10th Century Gold Viking Ring, which was purchased on the open market for £7k in December 2010; it is valued at cost which is considered to be its fair market value as there is no open market to trade an asset of this type, and there is no depreciation.

10. Intangible Assets

The Authority is developing a new Web Site.

Movements in 2025/26	Website
Cost or Valuation	**£000**
At 1 April 2025	0
Additions	50
At 31 March 2026	50
Accumulated Depreciation and Amortisation	
At 1 April 2025	0
Depreciation Charge	8
At 31 March 2026	8
Net Book Value	
At 1 April 2025	0
At 31 March 2026	42

11. Leased Assets and Liabilities

The Authority follows IFRS 16 Leases as per the Code of Practice for Local Government Accounting in the United Kingdom. The main recognition criterion of IFRS 16 is the focus on the control and right to use an asset.

For the lessee, a single accounting model will require all Right of Use Assets with a term greater than 12 months, unless the underlying asset is deemed low value, to be recognised on the balance sheet as a capital asset along with a corresponding liability, measuring the value of the right of use over the remaining term. As right of use assets will be accounted for under capital requirements this will increase the Capital Financing Requirement.

Exemptions

- Leases for items less than £10k, are exempt and continue to be accounted for as revenue items under net cost of services in the Comprehensive Income and Expenditure Statement.

- Leases that do not exceed 365 days are exempt as they are classed as short-term leases, they continue to be accounted for as revenue items under net cost of services in the Comprehensive Income and Expenditure Statement.

Measurement
Lease liabilities are measured at the present value of the remaining lease payments, discounted by the PWLB borrowing rates at that date or the date of lease.

Right of Use Assets are measured at the amount of the remaining lease liability. This has resulted in the following changes to the balance sheet :-

Leased Assets

This table shows the change in the value of right-of-use assets held under leases by the authority:

	Buildings	Vehicles	Total
Balance 1st April 2025	**34**	**103**	**137**
Transfer of Assets	0	0	0
Additions	0	358	358
Revaluations	0	0	0
Depreciation and amortisation	11	87	98
Balance 31 March 2026	**23**	**374**	**398**

Lease Liability

	Buildings	Vehicles	Total
Balance 1st April 2025	**101**	**39**	**140**
Additions	0	358	358
Minimum Revenue Provision	10	71	81
Balance 31 March 2026	**91**	**326**	**417**

Transactions under leases

The authority incurred the following expenses and cash flows in relation to leases:

	2025/26
Comprehensive income and expenditure statement	**£'000**
Interest expense on lease liabilities	21
Cash flow statement	
Minimum lease payments	111

Maturity analysis of lease liabilities

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

	31 March 2026
	£0
Within 1 year	119
Between 2-5 years	349
Later than 5 years	0
Total undiscounted liabilities	**468**

12. Investments

	Short Term	Long Term	Total
	Within 1 year	Over 1 year	
	£000	£000	£000
B4RN Shares	20	0	20

The Authority holds long term unsecured shares of £20k with Broadband for the Rural North (B4RN). 5% Interest of £1.7k was earnt in 2025/26. The shares will be redeemed at the end of March 2027. Investments are held for service delivery purposes. Shares of £44k were redeemed in 2025/26.

13. Financial Instruments

a) Financial Assets: Cash, loans and receivables

The Authority cash balance includes cash held with North Yorkshire Council (NYC), as well as cash held in a bank account in the name of the Authority. Cash held by the Authority is swept over to the account held by NYC each evening and money in this account is available to the Authority within one day.

Financial Instruments are formally defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. For the Authority, this definition covers the instruments used in Treasury Management activity, in the lending of money for investment purposes.

The Authority's Treasury Management is defined by the CIPFA Code of Practice on Treasury Management. The code sets out a framework of operating procedures to reduce treasury risk and improve understanding and accountability regarding the Treasury position of the Authority.

The CIPFA Code of Practice on Treasury Management requires:

- A Treasury Management Policy Statement (TMPS) stating the Authority's policies and objectives for its treasury management activities; and

- A framework of Treasury Management Practices (TMPs) setting out the manner in which the Authority will seek to achieve the policies and objectives set out above and prescribing how it will manage and control those activities. Because Treasury Management investment activity is undertaken by NYC on behalf of the Authority, the Authority has adopted NYC's TMPs.

The twelve recommended Treasury Management Practices are reviewed and updated as and when necessary, in the light of regulatory and/or local policy changes and cover the following areas:

- Risk management
- Performance measurement
- Decision making and analysis
- Approved instruments, methods and techniques
- Organisation, clarity and segregation of responsibilities and dealing arrangements
- Reporting requirements and management information arrangements
- Budgeting, accounting and audit arrangements
- Cash and cash flow management
- Money laundering
- Training and qualifications
- Use of external service providers
- Corporate governance.

b) Financial Instruments Balances

	31 March 2025 £000	31 March 2026 £000
Creditors	(1,993)	(2,651)
Debtors	1,142	1,393
Bank Current Account	5	6
Term Deposit with North Yorkshire Council Treasury	5,361	5,471
Shares Held B4RN	64	20
Total	**4,579**	**4,239**

The financial instruments balance figures shown consist of the nominal value of loans plus any accrued interest at that date. This complies with the requirements for financial instruments in accordance with The Code.

c) Fair Value of Assets and Liabilities carried at Amortised Cost
The fair value can be assessed by calculating the present value of cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- For loans receivable, the prevailing benchmark market rates have been used to provide fair value.
- Where an instrument (loan/investment) will mature in the next 12 months, the carrying amount is assumed to approximate fair value.
- The fair value of receivables is taken to be the invoiced or billed amount.

d) Disclosure of nature and extent of risk arising from Financial Instruments
The Authority's activities expose it to financial risks, the key risks being:

- Credit Risk – the possibility that other parties may fail to pay amounts due to the Authority, including cash balances held by North Yorkshire Council.
- Liquidity Risk – the possibility that the Authority might not have funds available to meet its commitments to make payments.
- Market Risk – the possibility that financial loss might arise as a result of changes in such measures as interest rate movements.

e) Procedures for Managing Risk
The Authority complies with the CIPFA Prudential Code, the CIPFA Treasury Management in the Public Services Code of Practice and the Investment Guide issued through the Local Government Act 2003. Risk is managed in the following ways:

- By adopting the requirements of the code of practice; and
- By approving in advance, prudential indicator limits for the following three years in relation to:

    1) The Authority's overall borrowing limits;
    2) Its maximum and minimum exposures to fixed and variable interest rates;
    3) Its maximum annual exposures to investments maturing beyond a year.

Credit Risk
Credit risk arises from deposits with banks and financial institutions as well as exposures to the Authority's customers. Deposits are managed through the contract with NYC. Sales of goods are on a cash basis, and services are mainly delivered where there is a signed legal grant agreement. The Authority receives income predominantly from other Government Bodies so reducing commercial risk. Payment terms are 30 days from invoice. There are no invoiced customers past due date but impaired.

Days Past Due	Current	30	60	90+
	£000	£000	£000	£000
Debtors Invoiced	452	13	29	10

Liquidity Risk
The Authority has next-day access to investments and is funded centrally by DEFRA, grant funding is known in advance so working balances can be managed, and funding is received quarterly in advance. The Authority does not have any borrowing.

Market Risk
The Authority is exposed to interest rate movements on its investments.

14. Inventories

The movement in inventories on the balance sheet can be analysed as:

	31 March 2024 £000	31 March 2025 £000
Opening Balance	**105**	**124**
Purchases	265	273
Recognised as an expense in year	(246)	(249)
Written off balances	(1)	(1)
Closing Balance	**124**	**147**

15. Debtors

The debtors which are under 1 year are recorded as current assets on the balance sheet, and are analysed as follows:

	31 March 2025 £000	31 March 2026 £000
Organisation		
Central Government Bodies	396	784
Other Local Authorities	249	111
Other Entities and individuals	498	498
Total Debtors	**1,142**	**1,393**
Including:		
Prepayments	66	44

16. Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

	31 March 2025 £000	31 March 2026 £000
Cash Floats held by the Authority	1	1
Bank Current Account	5	6
Term Deposit with North Yorkshire Council Treasury	5,361	5471
Total Cash and Cash Equivalents	**5,367**	**5,478**

Interest accrued from the deposit with North Yorkshire Council Treasury in 2025/26 was £272k (£272k 2024/25). Share interest accrued was £1.7k.

17. Creditors

The creditors which are due in less than 1 year and which are recorded as current liabilities on the balance sheet can be analysed as follows:

	31 March 2025 £000	31 March 2026 £000
Central Government Bodies	179	250
Other Local Authorities	166	617
Other Entities and individuals	1,647	1,784
Total Creditors	1,993	2,651
Including Income in Advance	317	738

18. Provisions

The provisions recorded on the balance sheet in 2025/26 are £63k as follows:

Staff can carry over 5 days leave and up to 15 hours flexi time from one year to the next, the balance reflects the cost of the carried time. A provision of £5.3k has been provided for doubtful debts; this is against a total debt of £7.1k.

	Absence Provision £'000	Doubtful Debt Provision £'000	Total Provisions £'000
Opening Balance	61	0	61
Amounts used in year	(61)	0	(61)
Additional provision	58	5	63
Short Term Provision	58	5	63

19. Usable Reserves

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement. Earmarked Reserves movements and balances are detailed in Note 6.

20. Unusable Reserves

Movements in the Authority's unusable reserves are detailed in the Movement in Reserves Statement.

21. Revaluation Reserve

The Code requires that the Revaluation Reserve reflects only changes that have arisen since 1 April 2007. On 31 March 2026 indexation was applied to the book values of land and building assets.

Where assets have previously been devalued and the amount written off to the Comprehensive Income and Expenditure Statement (CIES), any increase in the value of these assets is written back to the CIES as a gain against the prior losses, the maximum amount being the prior loss value.

Any balance over this amount is then recorded as a gain in the Revaluation Reserve. If there are no prior losses recorded against the CIES, the whole increase in value is transferred to the Revaluation Reserve.

Where assets have decreased in value and there is no balance for previous increases in value in the Revaluation Reserve, or the balance is lower than the loss, the amount in the Revaluation Reserve will be reduced to zero, and the balance is written off to the CIES.

2024/25 £000	**Revaluation Reserve**	2025/26 £000
9,426.1	**Balance at 1st April**	8,176.6
70.1	Upward revaluation of assets	173.6
(1,313.1)	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the provision of services	(63.2)
(1,243.0)	Surplus or Deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	110.3
(6.6)	Difference between fair value depreciation and historical cost depreciation	(6.8)
(1,249.5)	Movement on Reserve in year	103.6
8,176.6	**Balance at 31st March**	**8,280.1**

22. Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement. The account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007.

30 March 2025 £000		31 March 2026 £000
4,932	**Balance brought forward**	**4,474**
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(230)	Charges for depreciation and impairment of non-current assets	(333)
(615)	Revaluation increases/(decreases) on Property, Plant and Equipment charged to the Income Statement	34
0	Revenue expenditure funded from capital under statute	0
(845)		(299)
7	Revaluation adjustment between the carrying value and the Fair Value of assets	7
14	Statutory Provision for the financing of Capital Expenditure	81
(825)	Net written out amount of the cost of non-current assets consumed in year	(211)
	Capital Funding applied in the year:	
2	Use of the Capital Receipts Reserve to finance new capital expenditure	22
364	Capital expenditure charged against the General Fund	716
	Application of grants to capital financing from the Capital Grants Unapplied Account	
4,474	**Balance carried forward**	**5,000**

23. Pension Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in its Comprehensive Income and Expenditure Statements as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs.

However, statutory arrangements require that benefits earned are financed as the Authority makes Employer's contributions to the pension fund or eventually pays any pensions for which it is directly responsible.

The Authority participates in the North Yorkshire Pension Fund (Note 31).

2024/25 £000	Movement in Reserves Statement	2025/26 £000
497.0	Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the code	(105.0)
(598.0)	Actual amount charged against the General Fund Balance for pensions in the year	(602.0)
(101.0)		**(707.0)**

24. Accumulated Absences Account

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

2024/25 £'000		2025/26 £'000
61	**Balance at 1 April**	58
(4)	Amount by which Officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	1
58	**Balance at 31 March**	**59**

25. Members Allowances

The Authority paid the following amounts to Members of the Authority during the year; Member allowances were increased in line with the Local Government employee pay settlement. Full details of the Authority's Member Allowance

Scheme, and of allowances paid to individual Members, are available on the Authority's website at www.yorkshiredales.org.uk

	2024/25 £'000	2025/26 £'000
Allowances	103	117
Expenses	7	12
Total	**110**	**129**

26. Agency Services

In 2025/26 the Authority did not provide any agency services.

27. External Audit Costs

Additional audit fees agreed by PSAA for 2023/24 were £5k. The fee for the full audit of 2021/22 which was undertaken in 2025/26 is £31k which has been accrued and agreed with PSAA. The fees for 2024/25 audit were £49k. The scale fee for the 2025/26 audit is £50k, which has not been accrued as this will be completed in 2026/27. Grant income of £17k was received in 2025/26 from MHCLG to assist with the increase in audit fees.

28. Officers' Remuneration

Regulations require the Authority to disclose the number of staff receiving payments, including taxable benefits and pension contributions, of more than £50k in the relevant financial year. The number of employees who receive a remuneration of over £50k are as follows:

Remuneration Band	2024/25 No of Staff	2025/26 No of Staff
£50,000 - £54,999	0	4
£55,000 - £59,999	7	2
£60,000 - £64,999	0	5
£65,000 - £69,999	2	0
£70,000 - £74,999	0	2
£75,000 - £79,999	0	0
£80,000 - £84,999	2	2
£85,000 - £89,999	0	0
£90,000 - £94,999	0	0
£95,000 - £99,999	0	0
£100,000 - £104,999	0	0
£105,000 - £109,999	0	0
£110,000 - £114,999	0	0
£115,000 - £119,999	1	0
£120,000 - £124,999	0	1
	12	**16**

The Regulations require the Authority to disclose the individual remuneration details of senior employees, including salary, fees and allowances; bonuses; expenses allowance; compensation for loss of employment; employer's pension contribution, and any other emoluments.

Reimbursement of actual receipted business expenses is not shown in this analysis, and no additional allowances are paid for expenses.

The regulations require that persons whose basic salary is in excess of £150k per annum must be identified by name, and that certain senior employees whose basic salary is £50k or more per year but less than £150k, must be listed individually by way of job title. None of the senior officers received fees, bonuses or compensation for loss of employment or any other emoluments in 2024/25 or 2025/26.

	2024/25 £	2025/26 £
Chief Executive		
Basic Salary	103,610	106,926
Pension	13,159	13,259
Total	**116,769**	**120,185**
Director of Conservation & Communities		
Basic Salary	71,540	73,830
Pension	9,086	9,155
Total	**80,626**	**82,985**
Director of Corporate Services		
Basic Salary	71,540	73,830
Pension	9,086	9,155
Total	**80,626**	**82,985**
Director of Park Services		
Basic Salary	62,011	66,658
Pension	7,875	8,266
Total	**69,886**	**74,924**

29. Related Parties

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

Members of the Authority have direct control over the Authority's financial and operating policies. The total of members allowances paid in 2025/26 is shown in note 25. The Register of Members' Interests (which the Authority is required to

maintain, in accordance with the National Park Authority Members Code of Conduct) and any disclosures of direct or indirect pecuniary interests made in accordance with section 94 of the Local Government Act 1972, were examined to identify transactions with related parties.

Many of the Authority's Members are also Members of parish, district and county councils and other organisations whose activities may or may be seen to affect those of the Authority. A number of Members are trustees of the Yorkshire Dales Millennium Trust and Hudson House Limited with which the Authority has close working relationship.

Officers have day-to-day control of the running of the Authority's affairs. A small number of related party transactions have occurred with officers in 2025/26 and can be found in Related Parties Other.

Transactions with Related Parties in 2025/26:

	Payments £000	Receipts £000	Outstanding Creditors 31 March 2026 £000	Outstanding Debtors 31 March 2026 £000
Related Parties Other				
J Allison & Sons	21			
Yorkshire Dales Millennium Trust	43	(73)		
Local Government				
Derbyshire County Council	21		36.0	
Durham County Council			30.0	
Lake District National Park Authority	7			
Lancashire County Council	36		37.8	
North Pennines National Landscape		(213)		(21)
North York Moors National Park Authority	25	(6)	6.9	
North Yorkshire Council	239	(178)	7.8	(36)
Oldham Council	68		62.3	
Peak District Mosaic		(97)		
Peak District National Park Authority		(2)	48.3	(53)
Rochdale Borough Council			134.6	
Tameside MBC		(1)	40.2	
Westmorland & Furness Council	9	(42)		
Central Government				
DEFRA		(7,826)		
Environment Agency	1	(35)		(35)
Heritage Lottery Fund		(6)		
HM Revenue & Customs			116.7	
MHCLG		(239)		(26)
Natural England	25	(1,420)		(636)
The Planning Inspectorate	31			
	525	**(10,138)**	**521**	**(807)**

Transactions with Related Parties in 2024/25:

	Payments £000	Receipts £000	Outstanding Creditors 31 March 2025 £000	Outstanding Debtors 31 March 2025 £000
Related Parties Other				
A S E Crisp & Son	50			
Croft Farm Partnership	1			
Curriculum Kitchen	4			
Hudson House Ltd	10	(1)		
M Mezzanotte	2			
Niel Heseltine	5			
Orton Fells Farm Cluster	16			
The Cragg & Carr Partnership	1			
Town Head Farm	3			
Yorkshire Dales Millennium Trust	57	(1)		
Local Government				
Derbyshire County Council	58		39	
Durham County Council	123		30	
Lake District National Park Authority	38	(15)		
Lancashire County Council			19	
North Pennines National Landscape		(198)		(53)
North York Moors National Park Authority	21	(5)	6	(3)
North Yorkshire Council	105	(386)	19	(73)
North Yorkshire Council Rates	139			(1)
Northumberland County Council	13		13	
Northumberland National Park Authority	5	(15)		(15)
Oldham Council	20			
Peak District Mosaic		(29)		(29)
Peak District National Park Authority	56	(15)	24	(15)
South Downs National Park Authority	1			
Tameside MBC	5		5	
Westmorland & Furness Council	20	(38)	11	(1)
York & North Yorkshire Combined Council	5	(75)		
Central Government				
Arts Council		(29)		
Active Travel		(74)		
DEFRA		(8,539)		
Environment Agency	1	(45)	2	
Environment Agency (Vehicle Leases)	17			
HM Revenue & Customs			98	
National Trails Uk	4			
Natural England	4	(1,340)		(284)
	782	**(10,806)**	**266**	**(474)**

30. Defined Benefit Pension Scheme

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

The Authority participates in the Local Government Pension Scheme administered by North Yorkshire Pension Fund; this is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

The Authority recognises the cost of retirement benefits in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. The charge the Authority is required to make is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement.

Pension Scheme Adjustments affecting the Financial Statements

2024/25 £000	Comprehensive Income and Expenditure Statement	2025/26 £000
	Cost of Service	
852.0	Current Service Cost	607.0
28.0	Admin Costs	34.0
0.0	Effect of curtailments and settlements	39.0
880.0		**680.0**
	Financing and Investment Income and Expenditure	
(383.0)	Net Interest Expense	(785.0)
(383.0)		**(785.0)**
497.0	**Total Post Employment Benefit Charged to the surplus or deficit on the provision of service**	**(105.0)**
	Re-measurement of the net defined benefit liability comprising:	
969.0	Return on plan assets	(1,316.0)
(255.0)	Actuarial (gain)/loss arising on changes in demographic assumptions	283.0
(6,218.0)	Actuarial gain arising on changes in financial assumptions	(390.0)
(5,007.0)	**Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement**	**(1,528.0)**

2024/25 £000	Movement in Reserves Statement	2025/26 £000
497.0	Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the code	(105.0)
(598.0)	Actual amount charged against the General Fund Balance for pensions in the year	(602.0)
(101.0)		**(707.0)**
(16.0)	**Balance at 1 April**	(14.0)
(99.0)	Actuarial losses on pensions assets and liabilities	(707.0)
(497.0)	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of services in the Comprehensive Income and Expenditure Statement	105.0
598.0	Employers pensions contributions and direct payments to pensioners payable in the year	602.0
(14.0)	**Balance at 31 March**	**(14.0)**

Assets and Liabilities in Relation to Post-Employment Benefits

33,810	**Benefit Obligation at beginning of period**	28,818
880	Current Service Cost	641
1,599	Interest on Pension Liabilities	1,653
304	Member Contributions	315
46	Experience (Gain)/Loss	2,278
(6,218)	Loss/(Gain) on Financial Assumptions	(390)
(255)	Loss/(Gain) on Democratic Assumptions	283
0	Curtailments	39
(1,348)	Benefits/transfers paid	(1,011)
28,818		**32,626**
	Change in Plan Assets during period	
41,505	Fair Value of plan assets at beginning of the period	42,072
1,982	Interest on plan assets	2,438
(969)	Remeasurement Gain/(Loss) on assets	1,316
598	Employer Contributions	602
304	Member Contributions	315
(1,348)	Benefits/transfers paid	(1,011)
42,072	**Fair Value of the plan assets at the end of period**	**45,732**
(13,268)	Asset Ceiling Adjustment	(13,120)
28,804	**Adjusted Value of the plan assets at the end of period**	**32,612**

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date.

Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The increase in the fair value of the plan assets in the year was £3,660k (2024/25: increase £567k).

Present value of liabilities:	**2025/26 £000**	**2024/25 £000**	**2023/24 £000**	**2022/23 £000**	**2021/22 £000**
Fair value of assets in the Local Government Pension Scheme	45,732	42,072	41,505	37,758	41,540
(Surplus)/Deficit in the scheme:	14	14	16	(4,356)	3,292
Total	**45,746**	**42,086**	**41,521**	**33,402**	**44,832**

The liabilities show the underlying commitments that the Authority has in the long run to pay post-employment benefits.

The total contribution expected to be made to the Local Government Pension Scheme by the Authority in the year to 31 March 2027 is £595k (£602k paid in 2025/26). The contribution rates are falling from 12.4% in 2025/26 to 6.3% in 2026/27. The triennial review was performed in 2025/26.

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years' dependent on assumptions about mortality rates, salary levels etc. The liabilities have been assessed by Mercer, an independent firm of actuaries, and the main assumptions used in their calculations are:

Financial Assumptions	**31 March 2025 %**	**31 March 2026 %**
Discount Rate	5.80	6.20
CPI Inflation	2.50	2.80
Pension Increases	2.50	2.80
Pension Accounts Revaluation Rate	2.50	2.80
Salary Increases	3.85	4.05

Mortality Assumptions

Life expectancy of male (female)

-current pensioner aged 65	21.9 (24.5)	22.7 (24.9)
-future pensioner aged 45	22.5 (25.2)	23.2 (25.6)

Pension Assets	**31 March 2025**	**31 March 2026**

	%	%
Equities	60.6	36.8
Property	5.9	6.4
Government Bonds	14.8	19.7
Other Bonds	7.6	7.7
Multi Asset Credit	5.3	5.5
Cash/Liquidity	1.5	1.9
Other	4.3	22.0
	100.0	**100.0**

History of Experience Gains and Losses

The actuarial gains identified as movements on the Pension Reserve in 2025/26 can be analysed into the following categories, measured as a percentage of assets or liabilities as at 31 March 2026.

	Experience losses on liabilities		Re-measurement (gain) or loss on Assets		Actuarial gains on liabilities		Actuarial (gains) and losses	
Year	**£000**	**%**	**£000**	**%**	**£000**	**%**	**£000**	**%**
2025/26	2,278	7	(1,316)	(3)	(107)	(0)	707	2
2024/25	46	0	6,526	16	(6,473)	(0)	99	0
2023/24	519	2	5,521	13	(1,772)	(0)	4,268	13
2022/23	3,444	10	5,164	14	(17,564)	(1)	(8,956)	(27)
2021/22	116	0	53	0	(3,550)	(0)	(3,381)	(8)

31. Contingent Liabilities

The Authority has a contingent liability to perform a 10-year environment plan at Langcliffe; the value of this obligation was exchanged as consideration for the plot of land transferred, the plan started on 1st April 2023.

32. Termination Benefits

There were no redundancy payments in 2025/26.

33. Investments and Loans

The Authority has shares of £20k with B4RN, interest for 2025/26 was £1.7k which was credited to the income and expenditure statement.

34. Post Balance Sheet Events

There are no post balance sheet events.

35. Expenditure by Nature

	2024/25 £000	2025/26 £000
Expenditure		
Employee benefits expenses	5,994	6,443
Other services expenses	7,784	6,157
Depreciation, amortisation, impairment	845	299
Interest costs	(380)	(764)
(Profit)/Loss on the disposal of assets	26	(18)
Total Expenditure	**14,270**	**12,116**
Income		
Fees, charges and other contributions	(2,488)	(2,645)
Interest & investment income	(275)	(273)
Government Grants & Contributions	(11,416)	(10,100)
Total Income	**(14,179)**	**(13,019)**
(Surplus)/Deficit on the provision of services	**91**	**(903)**

36. Accounting Standards Issued but Not Yet Adopted

The Code requires the disclosure of information relating to the expected impact of any accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2025/26 Code. The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would result in an impact on disclosures spanning two financial years. There are no Accounting Standards issued but not yet adopted.

Annual Governance statement 2025/26

1. The purpose of the governance framework

1.1 The Annual Governance Statement sets out how the Yorkshire Dales National Park Authority ('Authority') meets its governance standards detailed in the Code of Corporate Governance.

1.2 The governance framework comprises the systems, processes, culture and values by which the Authority is directed and controlled; and the activities through which it works alongside its stakeholders and the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether these objectives have led to the delivery of appropriate services and have ensured best use of resources and value for money, in pursuit of National Park purposes.

1.3 The Annual Governance Statement is a document which looks back retrospectively over the past year, self-assesses the Authority's governance arrangements and looks forward to where focus should be given in relation to governance over the coming year.

1.4 The Authority's corporate governance framework is structured around the seven good governance principles in 2016 CIPFA guidance which are set out below.



2. The system of internal control

2.1 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, evaluate the likelihood and potential impact of those risks being realised, and to manage those risks efficiently, effectively and economically.

2.2 The Authority's governance framework has been in place at the Authority throughout the year ended 31 March 2026 and up to the date of approval of the Statement of Accounts.

3. Responsibility

3.1 The Authority is responsible for ensuring that its business is conducted in accordance with law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

3.2 The Authority also has a duty under section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

4. How this responsibility is discharged

4.1 In discharging this overall responsibility, the Authority must put in place arrangements for the governance of its affairs, including the management of risk, that meet the highest standards and facilitate the effective exercise of its functions.

4.2 The Authority has approved and adopted a Local Code of Corporate Governance which sets out principles of good governance consistent with the guidance, Delivering Good Governance in Local Government: Framework (Governance Framework) (CIPFA and Solace 2016). A copy of the Local Code of Corporate Governance is published on the Authority's website and can be obtained from the Director of Corporate Services, Yorkshire Dales National Park Authority, Yoredale, Bainbridge, Leyburn, North Yorkshire, DL8 3EL.

4.3 This Statement explains how the Authority has complied with the Code and also complies with the Accounts and Audit Regulations 2015 which require the Authority to prepare this Statement annually.

5. The Framework

5.1 The Authority's Corporate Governance Framework seeks to ensure that the principles of good governance are embedded in all aspects of its work. The adopted Local Code of Corporate Governance implements the core values of the Authority:

- Accountability: We will explain and take responsibility for our decisions and actions.

- Commitment: We will do what we say we will do.
- Improvement: We will continually strive to improve our performance in delivering National Park purposes.
- Integrity: All our relationships will be built on honesty, respect, transparency, equality, and impartiality.
- Open and approachable: We will be open to new ways of doing things and will work positively with others to achieve our objectives in ways that help them meet theirs.
- Valuing and empowering our People: We will value the people who work for us and will work to ensure that they are equipped, supported and empowered to provide professional services to the public.

5.2 The Code sets out that all Members of the Authority share responsibility for governance arrangements and requires the Monitoring Officer to review those governance arrangements and to report annually to the Audit & Review Committee on the findings of that review.

5.3 Ultimately, decision-making power rests with Authority Members, advised by officers. Decisions are taken at meetings of the full Authority; at Committees meetings (Finance and Resources, Audit and Review, Planning and Standards); or by officers under delegated powers. Operational management is the responsibility of the Chief Executive Officer, with the help and support of the Senior Management Team (SMT). The training and development needs of Members and officers are addressed in annual training plans.

6. Key Aspects

6.1 The 2016 CIPFA guidance sets out key aspects of the corporate governance framework. These are:

a) Developing codes of conduct which define standards of behaviour for Members and officers and ensuring that policies for dealing with whistleblowing and conflicts of interest are communicated effectively.

The Authority's vision is inextricably linked to its adopted core values and behaviours, which are widely publicised through policies, agendas, the website, staff induction and appraisals.

Policies, codes and protocols are reviewed at a minimum every five years or when there is a change in legislation. Reporting arrangements for reviewing codes and protocols are to the Authority and the Audit & Review Committee.

The Authority maintains a Code of Conduct for Members and a Staff Code of Conduct which include reference to the Nolan Principles, and procedures for declarations of interests. The Staff Code of Conduct was reviewed and updated in October 2024.

The Authority's Member Code of Conduct was reviewed in December 2023 and changes were made to specifically refer to bullying and harassment, make further explicit reference to equalities and non-discrimination and to introduce an obligation on Members to consider the issue of public perception and potential conflict with a Member's public

duties if the financial position or wellbeing of the Member/connected person is affected by an item of business (i.e. a prejudicial interest test). The review was also used to increase the gift and hospitality limit to £50 and include specific reference to non-participation in decision making if a Member has a disclosable pecuniary interest (rather than referring to the provision in Standing Orders).

The Authority's Member Officer Protocol which sets out guidance on the relationship between Members and officers was reviewed in March 2025. The Authority also maintains a Social Media Protocol for Members which was updated in December 2023 to reflect the different means of social media, its changing pace and the way in which it is used.

The Authority has a Standards Committee. Two Independent Persons were recruited in 2018 and appointed to the Committee. The term of office for one of the Independent Persons has been extended until June 2027. The term of office for the other Independent Person has been extended until June 2028. The Authority has also adopted an Independent Person Protocol which ensures that there is clarity about the Independent Person role and to make sure that there is clear separation of the roles of the Independent Person, the Monitoring Officer and the Standards Committee. Both Independent Persons have received training on their role, attend the annual Independent Persons' conference and Standards Committee meetings.

The Monitoring Officer considers complaints about Member conduct in accordance with the Authority's Local Assessment Procedure. The Determination Procedure deals with allegations against Members where an investigation has been completed, the Investigating Officer has found a breach of the Code of Conduct and the Monitoring Officer, having consulted with the Independent Person, sends the matter for hearing before a Hearing Panel of the Standards Committee. Both procedures include provisions for consulting the Independent Person at certain stages.

Guidance is available for Members and officers in relation to declaration of interests and gifts and hospitality. The Register of Interests for each Member is published on the Authority's website. The Director of Corporate Services maintains the register of officer declarations of interest and gifts and hospitality.

The Authority has confidential reporting arrangements in place to enable individuals, both internal and external, to make disclosures. A review of the Confidential Reporting Policy was last undertaken in December 2022 with amendments approved by the Authority.

b) Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

The Chief Executive Officer is the Authority's Head of Paid Service, who advises the Authority on issues of policy, staffing and resources. The Authority's Director of Corporate Services is the Authority's Solicitor and Monitoring Officer, who advises on issues of ethical conduct and the lawfulness of decision making. The Authority also employs a Chief Financial Officer who ensures that there are proper arrangements in place to administer the Authority's financial affairs. Together these officers are responsible for ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful. The Deputy Monitoring Officer is also a Solicitor who attends and advises the Planning Committee.
Financial Regulations set out arrangements governing the award of contracts, to ensure that procurement processes are fair, transparent and lawful, and that best value for money is being obtained.

Payment of allowances to Members is made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003. The Scheme of Members' Allowances is approved by the Authority in March for application the following financial year.

c) Documenting a commitment to openness and acting in the public interest.

The Authority's decision-making framework is set out in publicly available documents, including Standing Orders, the Scheme of Delegation to Committees and Officers and a description of the role of Authority Members in governance arrangements.
The Authority has adopted procedures for the openness of public meetings including access to and recording of meetings and for publishing decisions including contract awards.

d) Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.

The Authority has clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation. This approach is supported at a local level by the Authority's operation of and participation in Parish Forums. The Authority's website and social media are key digital outlets complemented by traditional print and broadcast media, the publication of two newspapers for residents (two editions per year) and visitors (annually) and the use of direct mail.
In 2010 the Authority achieved the Governments' Customer Service Excellence (CSE) Standard. This standard was retained until 2025 when the Audit and Review Committee agreed that the Authority should transition to an internal audit-based approach to assessing customer service as an alternative to continuing in the CSE Standard. The internal audit process is not intended to replicate the entirety of the CSE standard but aims to provide assurance in key areas related to customer service. An internal audit of complaints and compliments resulted in an overall opinion of substantial assurance by Veritau, the Authority's Internal Auditors.

e) Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning

The Authority publishes its objectives, and commitment to the achievement of statutory purposes, in a number of plans. The National Park Management Plan (NPMP) establishes the vision for the National Park, and the highest level objectives that the Authority is committed to see achieved, working in partnership with stakeholders. Following extensive public consultation, the NPMP for the Park was adopted by the Authority in June 2025 for the period 2025-2030.

f) Translating the vision into courses of action for the Authority, its partnerships and collaborations

An annual Corporate Plan translates the Authority's commitments in the NPMP into service-specific objectives, with annual targets and financial plans. This forms an integral part of the performance management regime.
Arrangements have been developed for the management of partnerships through which many of the outcomes in the NPMP are delivered. There are clear criteria as to whether

the Authority should become or remain a member of a partnership, reported biennially to SMT and Audit & Review Committee. Work is done to seek to ensure the good governance of partnerships and a review of the governance arrangements of partnerships was completed in March 2022.

g) Reviewing the effectiveness of the decision-making process, including delegated arrangements; decision making in partnerships; information provided to decision makers; and robustness of data quality.

Standing Orders and the Scheme of Delegation to Committees and Officers are reviewed to take account of changes in legislation or otherwise every five years under the Authority's policy review framework. The Scheme of Delegation was reviewed in in December 2022 to reflect the structural changes to the Senior Management Team. Minor amendments were made in March 2023 following a review of Standards Procedures and in February 2025 under delegated powers. Standing Orders were reviewed by the Authority in March 2024.
Minutes of meetings and delegated decisions are published. The Chair and Chief Executive present quarterly reports on their work to the Authority and Member Champions report annually to the Authority.
The Authority's Data Protection Policy was reviewed and updated in November 2025 to ensure that the Policy complies with changes to legislation introduced by the Data (Use and Access) Act 2025. In addition, new sections were added to the policy around young people, Artificial Intelligence, CCTV and cookies.

h) Measuring the performance of services and related projects, ensuring that they are delivered in accordance with defined outcomes; and that they represent best use of resources and value for money

It is a Corporate Plan objective to plan and manage all aspects of our priorities and targets to make the most effective use of our resources. A robust system of prioritising work programmes is in place and is reviewed regularly. Mid-year progress reports are presented to SMT and Audit & Review Committee; an end of year performance report is presented to the full Authority. Performance reviews are undertaken by small Member/officer teams including the relevant Member Champion and a member of the Audit and Review Committee. In addition to this structured approach to monitoring performance, value for money is underpinned by a detailed budget management process and by adherence to the Authority's Procurement Strategy and Financial Regulations, which cover the processes to be followed when contracting for goods and services.

i) Defining and documenting the roles and responsibilities of Members and management, with clear protocols for effective communication in respect of the Authority and partnership arrangements.

Members, Member Champions, the Chair of the Authority and co-opted Members each have role descriptions. Guidance for, and roles of, Member Champions have been reviewed and updated.
The Authority has adopted protocols on the roles and responsibilities of Members and on Member/Officer relations. These are particularly important for an organisation that has no political groupings and therefore no Group political leadership. Collective responsibility for decisions does not operate in the NPA in the way it does for 'mainstream' local authorities. All such protocols are kept up to date and reviewed when necessary (and at least once every five years).

The Authority reviews its arrangements for partnership working every two years to ensure that the partnerships in which it participates are appropriate and effective. The Authority has adopted criteria which assist the Authority in its review.

j) Effective financial management arrangements conform to the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government.

The Authority is compliant with the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). The Authority's Chief Financial Officer (s151 Officer) is the Head of Finance, who has a right of access to Senior Management Team meetings, has direct access as required to the Chief Executive and Members of the National Park Authority, and is directly responsible for the organisational leadership and management of an internal finance function along with suitably qualified staff.

k) Ensuring effective arrangements are in place for the discharge of the Monitoring Officer function.

The Authority employs a Monitoring Officer and a Deputy Monitoring Officer, both of whom are qualified Solicitors. The Director of Corporate Services is the Monitoring Officer and is a member of SMT. The Monitoring Officer attends and advises the Authority, Finance & Resources Committee, Audit & Review Committee and Standards Committee. The Deputy Monitoring Officer attends Planning Committee and, together with the Monitoring Officer, advises on issues of ethical conduct and the lawfulness of decision making.

l) Ensuring effective arrangements are in place for the discharge of the Head of Paid Service Function.

The Chief Executive Officer is the Authority's Head of Paid Service, and advises the Authority on issues of policy, staffing and resources.
Together the three Statutory Officers (Chief Executive, Chief Financial Officer and the Monitoring Officer) are primarily responsible for ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

m) Providing initial induction, and identifying the development needs, of Members in relation to their roles; supported by appropriate training.

There is a Member induction process in place. The Policy Development Forum provides regular briefings and updates for Members on a range of issues. Compulsory planning training is provided to Members of the Planning Committee. An annual programme of Member training covering a wide range of topics was delivered in 2025-26.

n) Reviewing the effectiveness of the framework for identifying and managing risk; and for performance and demonstrating clear accountability.

Risk management procedures link the process for identifying and managing risks explicitly to the achievement of the Authority's objectives. Risks are reviewed regularly with the Authority's insurance advisors, to ensure appropriate cover is in place both for existing and emerging issues. Operational and strategic risks are reported to SMT and to the Audit and Review Committee. The Authority's Risk Management Policy was revised in November 2023.

o) Ensuring effective counter fraud and anti- corruption arrangements are developed and maintained in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014)

The Authority's Anti-Fraud & Corruption Policy (last reviewed in September 2022) is in place to prevent fraud and corruption. Procedures exist to ensure that officers are aware of what steps to follow should they suspect a fraud. The Authority has reviewed its policies and procedures against the guidance published in October 2014 by CIPFA "Managing the Risk of Fraud and Corruption" and key staff received appropriate training. Priority service areas for counter fraud and awareness training have been identified for refresher training later this year and wider fraud awareness updates are circulated to all staff to help promote a culture of detection and prevention. The Authority is satisfied that it has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

p) Ensuring that assurance arrangements conform to the governance requirements of the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government (April 2025) and, where they do not, explain why and how they deliver the same impact.

The Authority's internal audit arrangements comply with the governance requirements of the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government (April 2025). The role of Internal Audit is currently provided by Veritau Ltd which reports directly to the Authority's Audit & Review Committee. This approach is appropriate and proportionate. Both the "seniority" and "access to management" requirements set out in the 2025 Code are specified within the Authority's contract with Veritau Ltd.

q) Undertaking the core functions of an audit committee, as identified in the Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2022).

The Audit & Review Committee undertakes the core functions identified in CIPFA's Audit Committees: Practical Guidance for Local Authorities. These functions include raising the profile of internal control, risk management and financial reporting issues within the Authority, as well as providing a forum for the discussion of issues raised by internal and external auditors. The Committee also provides some scrutiny functions. Whilst noting that the guidance states that ideally, Audit Committees should be separate from such activity, the size of the Authority means that the current arrangements are fit for purpose.

r) Ensuring that the Authority provides timely support, information and responses to its External Auditors and promptly considers audit findings and recommendations.

The relationship with the External Auditor is supported by planning and update meetings and by the preparation and submission of information required by them. At all times, the Auditor has access to the Statutory Officers of the Authority and, if necessary, to the Chair and Members.

The External Auditor reports directly to the Authority meeting at which the annual accounts are signed off. The Auditor subsequently issues an Annual Audit Letter, by which means they can highlight directly (and in a formal manner) to Members any issues that they might identify during their audit work. This 'direct line' for reporting helps to strengthen the Authority's approach to corporate governance.

The audit for 2022/23 was incomplete due to national issues with Local Government audit backlog and Ernst & Young did not have capacity to perform a full audit. Although a full audit was completed for 2023/24, both years were disclaimed due to the unverified opening figures for 2023/24. In order to get back on track, the audit for 2024/25 completed by Forvis Mazars also included a full audit of the year 2022/23 to build back assurances of the balances in that year. An unqualified opinion has been received for 2024/25.

7. Conclusion

7.1 This AGS is based on the review of the Local Code of Corporate Governance undertaken in November 2025 and on the 2016 CIPFA/Solace Guidance and the May 2025 Addendum.

7.2 Checks are in place to ensure compliance with the governance framework: **Table A** identifies the issues raised in the 2024/25 AGS and records the actions taken.

7.3 The preparation of the 2025/26 Annual Governance Statement has identified a number of corporate governance related actions which will be addressed over the next twelve months; these are listed in **Table B.**

7.4 The Authority's governance arrangements were fit for purpose in 2025/26. They operate effectively and support the achievement of the Authority's outcomes.

Table A: Matters raised in the 2024/25 Annual Governance Statement

Issue	Update on Action taken
Local Plan	The Yorkshire Dales Local Plan public hearings took place in December 2025. A Government Planning Inspector held two weeks of programmed discussion investigating various matters such as the legal process, public engagement, evidence gathering and cross boundary cooperation on the preparation and potential implementation of the new National Park Local Plan for the period 2025-2040. In February 2026, the Inspector issued a post hearing letter stating that the Plan is capable of being made sound, subject to a number of modifications.
National Park Management Plan 2025-2030	In June 2025 Members agreed the final set of objectives to be adopted as part of the new National Park Management Plan, for implementation between 2025-2030. Monitoring of progress will take place in a similar way to the existing Plan. The Partnership will prepare an Annual Report to the Authority, with more detailed information on the webpages for each objective. The new Management Plan will also shape the Authority's own plans and programmes. Those objectives for which the Authority is the lead body, or has a significant supporting role, have been integrated into the next Corporate Plan (for 2026/27), and will be used to inform everything from the setting of the budget to the detailed targets in individual staff appraisals.
Reviews of corporate documents (strategies and policies), in line with the 5-year cycle of planned reviews.	(i) Equality, Diversity and Inclusion policy (completed May 2025) (ii) Carbon Reduction Plan (completed June 2025) (iii) Planning Code of Good Practice (completed December 2025)
Financial Sustainability	The budget for 2025/26 was balanced using reserves due to a decrease in core funding. Contingency reserves are held which are 10% of gross budgeted expenditure. These reserves can assist with any shortfall whilst the Authority considers the actions needed to balance any potential reduction in Revenue Grant.
External Audit	The 2024/25 annual audit commenced in November 2025 and was completed prior to the backstop date for publication of the Statement of Final Accounts of 27 February 2026. An unqualified audit opinion was received.

Table B: Matters identified during the preparation of the 2025/26 Annual Governance Statement

Issue	Explanation
Local Plan	In February 2026, the Inspector issued a post hearing letter stating that the Local Plan is capable of being made sound, subject to a number of modifications. The most significant of these is probably the reallocation of a single proposed site for employment uses in Sedbergh, to an alternative use for new housing. A full list of all the main modifications will be made available for six weeks of public consultation in the Spring. The Plan already has some legal weight and is being used to guide decisions on planning applications. It is hoped that the Inspector's report of examination will be published in time for adoption of the whole Local Plan, at the June Authority meeting.
Reviews of corporate strategies and policies, in line with the 5-year cycle of planned reviews.	(i) People Management Strategy (May 2026) (ii) Media Procedure and Protocol (Aug 2026) (iii) Education and Engagement Strategy (Sep 2026) (iv) Complaints, Compliments and Comments (Oct 2026) (v) Property Strategy (Dec 2026) (vi) Procurement Strategy (Feb 2027) (vii) Member Champion Guidance (Mar 2027)
Financial Sustainability	Defra has indicated that, as expected, National Park Authorities will receive a three-year settlement which includes revenue, capital, FiPL and Access for All grant. Year 1 is fixed and years 2 and 3 are indicative. The stability offered by this settlement should enable a more strategic approach to work programme planning. The Authority holds a 10% reserve to cover shortfalls in expected income, or unexpected expenditure. It also has a £500k matched funding reserve to leverage external funding sources which may require a contribution by the Authority.
External Audit	An unqualified opinion has been received for 2024/25. The statutory backstop date for 2025/26 is 31 January 2027.

Signed

M. R. Corner

Mark Corner
Chair of Audit and Review Committee
14 April 2026

Gary Smith

Gary Smith
Acting Chief Executive Officer
14 April 2026