YORKSHIRE DALES NATIONAL PARK AUTHORITY

STATEMENT OF ACCOUNTS

2022/2023

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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 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, and

   - To promote opportunities for the understanding and enjoyment of the special qualities of the area by the public.

3. When carrying out these purposes, the Authority seeks to foster the economic and social well-being of local communities within the National Park.

4. The vision and objectives of the Authority is largely determined by the statutory National Park Management Plan which is developed together with partner organisations, on a five-year cycle (2019-2024). It can be found on our website under:

   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 2022/23 are published when on our website under:

   Paper: Corporate Plan progress 2022-23

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

   Good progress was made on most of the Authorities objectives in 2022/23, highlights included:

   - Almost £900k was provided to local farm businesses through the Defra-funded Farming in Protected Landscapes programme;

- Restoration works were completed on 9 traditional farm buildings through a variety of different grant schemes;
- With funding from Historic England, 172 square km in the Westmorland Dales have been mapped for historical features through a LIDAR survey;
- A rolling Park-wide programme of repairs resulted in 91% of Rights of Way being 'easy to use';
- Delivery of educational and skills-based activities to over 4,000 school children from in and around the National Park;
- Providing more than 7,000 volunteer days, with under-represented groups accounting for over a fifth of those;
- Raising over £50k during the year to support repairs to the Three Peaks route;
- The Coast to Coast Path National Trail being formally designated by the Government in October 2022 and implementation of the route being commenced;
- Completing year 2 of the Tees-Swale: Naturally Connected programme, including restoring 10 ha of hay-meadow and creating 35 ha of native woodland;
- Through the Catchment Sensitive Farming programme, providing advice and assistance to 160 farmers to help reduce diffuse pollution from agriculture;
- With funding from the Woodland Trust, White Rose Forest and others, facilitating and supporting the creation of 97 ha of new native woodland;
- Granted planning permission for 62 new dwellings, taking the average over the last 4 years to 91;
- Supporting 16 local community and business projects, with grants of £185k, through the 'Sustainable Development Fund';
- Determining 86% of 'minor' and 93% of 'other' planning applications within Government target times;
- Recruiting 3 apprentices and 3 new trainees, taking the cumulative total to 21 apprentices and 6 trainees since 2018;
- Generating external income to support gross expenditure of over £10 million;
- Retaining the 'Customer Service Excellence' Award for the 13th consecutive year.

7. 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.

   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.

- 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.

- 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.

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/

8. 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/

9. At the 31st March 2023 the Authority employed 172 full and part time staff (114 women and 58 men). This total equates to 135 full time equivalent posts (112 established posts and 23 temporary posts).

10. Included in the above staff numbers were the Chief Executive Officer and 3 Directors (2 females and 2 males).

11. The Authority's accounts for the year ended 31 March 2023 are presented in the format laid down in the Code of Practice on Local Authority Accounting in the United Kingdom: 2022/23 ('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.

12. 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.

13. **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.

14. 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').

15. 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'.

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

Attention is drawn to Note 27, which discloses the status of the Authority's overall liability in relation to its participation in the LGPS. As at 31 March 2023, the *net surplus* (assets minus liabilities) stood at **£4.356m**, a decrease of **£7.648m** on the previous year's *net liability* of **£3.292m**.

There are a number of factors that have resulted in a net surplus:

- Assets decreased in real terms by £3.782m. The scheme's liabilities are calculated using a discount rate set with reference to corporate bond yields. 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 accounting figures;

- The majority of the Fund's obligations are to provide benefits for the life of the members following their retirement, so increases in their life expectancy will result in an increase in the liabilities.

- Liabilities decreased by £11.430m, which includes a £14.804m decrease due to changes in financial assumptions, £4.052m increase due to experience loss, and £0.330m increase due to changes in demographic assumptions.

- 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.

- This is a change to the accounting treatment in this accounting period. Previously the allowance was for the pension increase order awarded during the accounting period and not the impact of more recent inflation that could potentially impact the next pension increase order. This change has been made due to the high inflationary environment.

SUMMARY OF REVENUE SPENDING

16. The main components of the budget for 2022/23 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. Adjustments of £5.4k have been made for creditors and prepayments adjustments to the outturn figure reported to Members (£803.5k).

Outturn Summary of Revenue Spending

Accounts in Statement of Final Accounts Format 2022/23

	Actual	Budget	Variance
Expenditure	**£'000**	**£'000**	**£'000**
Conservation of Natural Environment	2,577.2	3,463.5	886.3
Conservation of Cultural Heritage	947.9	1,926.6	978.6
Recreation Management	1,918.3	1,969.5	51.2
Promoting Understanding	1,875.4	1,955.3	79.9
Rangers, Estate Services & Volunteers	402.0	404.5	2.5
Development Control	776.5	796.4	19.9
Forward Planning	309.2	492.0	182.8
Corporate Management	1,947.8	1,847.6	(100.2)
Total Expenditure	**10,754.3**	**12,855.3**	**2,101.0**
Income			
Conservation of Natural Environment	(1,847.6)	(2,578.7)	(731.1)
Conservation of Cultural Heritage	(661.4)	(1,464.3)	(802.9)
Recreation Management	(1,457.2)	(1,334.6)	122.6
Promoting Understanding	(689.2)	(677.8)	11.4
Rangers, Estate Services & Volunteers	(16.2)	(15.2)	1.0
Development Control	(266.3)	(275.0)	(8.7)
Forward Planning	0.0	0.0	0.0
Corporate Management	(267.5)	(152.0)	115.5
Total Income	**(5,205.4)**	**(6,497.6)**	**(1,292.2)**
Net Expenditure	**5,548.9**	**6,357.7**	**808.8**
Financed By:			
National Park Grant	(5,229.8)	(5,229.8)	(0.0)
Balance from reserves	(319.1)	(1,127.9)	(808.8)
Total	**(5,548.9)**	**(6,357.7)**	**(808.8)**

17. The Authority has reported an apparent net favourable variance against budget of **£808.8k** in 2022/23, however part of this is a product of accounting treatment, most notably being that a number of projects totalling **£460k** were incomplete as at 31 March 2023; the budgets to complete this work will be carried forward into 2023/24, leaving a variance of £348.8k.

18. Putting the results into context, the 2022/23 budget contained the following targets:

- An income budget of **£11.7m**; actual income for 2022/23 was **£10.8m**, an adverse variance of **£0.9m**; however, £1m income due but not received was carried forward to 2023/24. The corporate plan income target for 2022/23 was £9.5m, this target was exceeded by £1.3m.

- An expenditure budget, supported by the use of reserves of **£12.9m**; actual gross expenditure for 2022/23 was **£10.7m**, an adverse variance of £2.2m**,** however £1.5m budget was carried forward to 2023/24.

19. These outcomes are a significant achievement for the Authority considering the impact of limited availability of materials and contractors.

20. Further movements which are not reflected in the above figures at 31 March 2023 are outlined in the Expenditure and Funding Analysis.

21. The Useable Reserves balance of **£3,932k** carried forward consists of Earmarked Reserves totalling **£3,207k,** and **£725k** General Reserves. This General Reserve balance will be used to cover the deficit in the Authority budget for 2023/24 as well as to provide match funding for future grant-funded projects currently under development. Note 3 of the SOFA details the Earmarked Reserves.

22. 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 objective for the level of this contingency reserve to be set at 10% of total budget spend in 2023/24, which is met by the current level of the Contingency Reserve (**£1,083k**).

23. Future Funding: The largest source of funding for the Authority is the core grant from DEFRA, which remains unchanged from 2022/23 in 2023/24 at £5,229.8k.

24. Major Capital Investments in 2022/23:

    - IT Equipment
    - Workshop Equipment
    - Plant for public rights of way works

    The Authority does not currently require any borrowing to finance its capital works.

25. Provisions and Contingencies:

Absence Provision	**31 March 2022 £000**	**31 March 2023 £000**
Opening Balance	**69.3**	**64.5**
Amounts used in year	-69.3	-64.5
Additional provision	64.5	64.9
Short Term Provision	**64.5**	**64.9**

26. Rounding:

    - As individual figures are rounded to the nearest £0.1k, this may mean that some ‘total’ figures do not precisely match the sum of the individual figures.

27. CHANGES IN ACCOUNTING POLICIES AND PRESENTATION OF THE ACCOUNTS

28. The policies are set out formally in the Summary of Significant Accounting Policies. The policies adopted in 2022/23 are compliant with the Code of Practice on Local Authority Accounting in the United Kingdom: 2022/23.

29. There have been no changes in policy.

30. Impact of CPI increases; the cost of raw materials and contractors increased significantly in 2022/23, some projects had to be altered or reduced to remain within budget. Conversely interest income has increased significantly in year which had a positive impact on the budget.

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 2023.



Michelle Clyde
S151 Treasurer
Yorkshire Dales National Park Authority

3 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKSHIRE DALES NATIONAL PARK AUTHORITY

Disclaimer of opinion

We were engaged to audit the financial statements of Yorkshire Dales National Park Authority ('the Authority') for the year ended 31 March 2023. The financial statements comprise the:

- Authority Movement in Reserves Statement,
- Authority Comprehensive Income and Expenditure Statement,
- Authority Balance Sheet,
- Authority Cash Flow Statement
- the related notes 1 to 23 including a summary of significant accounting policies and including the Expenditure and Funding Analysis.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022).
We do not express an opinion on the accompanying financial statements of the Authority. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

The Accounts and Audit (Amendment) Regulations 2024 (Statutory Instrument 2024/907) which came into force on 30 September 2024 requires the accountability statements for this financial year to be approved not later than 13th December 2024.
We completed the audit of the 2021/22 financial statements and issued our audit opinion in July 2024.

The backstop date and the wider requirements of the local audit system reset, meant we did not have the required resources available to complete the detailed audit procedures that would be needed to obtain sufficient appropriate audit evidence to issue an unmodified audit report on the 2022/23 financial statements. Therefore, we are disclaiming our opinion on the financial statements.

Matters on which we report by exception

Notwithstanding our disclaimer of opinion on the financial statements, performed subject to the pervasive limitation described above, we have nothing to report in respect of whether the annual governance statement is misleading or inconsistent with other information forthcoming from the audit or our knowledge of the Authority.

We report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended)
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended)
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended)
- we are not satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We have nothing to report in these respects.

Responsibility of the Treasurer

As explained more fully in the Statement of the Treasurer's Responsibilities set out on pages 11, the Treasurer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets (November 2022), and for being satisfied that they give a true and fair view and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the Authority's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Code of Audit Practice 2024 and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

We have undertaken our review in accordance with the Code of Audit Practice 2024, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in November 2024**,** as to whether the Authority had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

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

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

Certificate

We certify that we have completed the audit of the accounts of the Authority in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended) and the Code of Audit Practice issued by the National Audit Office.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rob Jones (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Glasgow
Date

The following footnote does not form part of our Auditor's Report.
Additional information related to the disclaimer of opinion is set out in our Completion Report for Those Charged with Governance dated 26 November 2024, available on the Authority's website, which includes further explanations about the implementation of the statutory instrument which led to the disclaimer of our opinion on the financial statements.

CORE FINANCIAL STATEMENTS

Movement in Reserves Statement

		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 2022	Page 20	**(589.4)**	**(3,661.4)**	**0.0**	**(4,250.8)**	**(7,939.7)**	**(12,190.6)**
(Surplus)/Deficit on the provision of services	Page 18	**1,942.2**	**0.0**	**0.0**	**1,942.2**	**0.0**	**1,942.2**
Other Comprehensive Income and Expenditure	Page 17	0.0	0.0	0.0	0.0	(11,266.7)	(11,266.7)
Total Comprehensive Income and Expenditure		**1,942.2**	**0.0**	**0.0**	**1,942.2**	**(11,266.7)**	**(9,324.6)**
Adjustment between accounting basis and funding basis under regulations	Note 2	(1,623.0)	0.0	0.0	(1,623.0)	1,623.0	0.0
Net decrease/(increase) before transfers to Earmarked Reserves		**319.1**	**0.0**	**0.0**	**319.1**	**(9,643.7)**	**(9,324.6)**
Transfers (to)/from Earmarked Reserves	Note 3	(454.5)	454.5	0.0	0.0	0.0	0.0
Decrease/(Increase) in 2022/23	Page 18	**(135.4)**	**454.5**	**0.0**	**319.1**	**(9,643.7)**	**(9,324.6)**
Balance at 31 March 2023	Page 20	**(724.8)**	**(3,206.9)**	**0.0**	**(3,931.7)**	**(17,583.4)**	**(21,515.1)**
Balance at 31 March 2021		**(88.1)**	**(3,755.7)**	**0.0**	**(3,843.8)**	**(3,903.3)**	**(7,747.0)**
Surplus on the provision of services	Page 18	1,148.2	0.0	0.0	1,148.2	0.0	1,148.2
Other Comprehensive Income and Expenditure	Page 17	0.0	0.0	0.0	0.0	(5,591.7)	(5,591.7)
Total Comprehensive Income and Expenditure		**1,148.2**	**0.0**	**0.0**	**1,148.2**	**(5,591.7)**	**(4,443.5)**
Adjustment between accounting basis and funding basis under regulations	Note 2	(1,555.2)	0.0	0.0	(1,555.2)	1,555.2	0.0
Net decrease/(increase) before transfers to Earmarked Reserves		**(407.1)**	**0.0**	**0.0**	**(407.1)**	**(4,036.5)**	**(4,443.5)**
Transfers (to)/from Earmarked Reserves	Note 3	(94.3)	94.3	0.0	0.0	0.0	0.0
Decrease/(Increase) in 2021/22	Page 18	(501.4)	94.3	0.0	(407.1)	(4,036.5)	(4,443.5)
Balance at 31 March 2022	Page 20	(589.4)	(3,661.4)	0.0	(4,250.8)	(7,939.7)	(12,190.6)

Comprehensive Income and Expenditure Statement

For the year ending 31 March 2023

2021/22					2022/23		
Gross Expenditure	Income	Net Expenditure	Heading	Note (N)/ Page (P)	Gross Expenditure	Income	Net Expenditure
£000	£000	£000			£000	£000	£000
1,857.8	(1,026.2)	831.6	Conservation of the Natural Environment	P18/19	2,824.3	(1,847.6)	976.6
712.9	(559.8)	153.1	Conservation of Cultural Heritage	P18/19	998.6	(661.4)	337.2
2,316.3	(1,676.7)	639.5	Recreation Management and Transport	P18/19	2,133.9	(1,457.2)	676.8
1,771.7	(580.4)	1,191.3	Promoting Understanding	P18/19	2,204.5	(689.2)	1,515.3
479.7	(8.5)	471.2	Rangers, Estate Services and Volunteers	P18/19	477.8	(16.2)	461.7
936.7	(283.8)	652.9	Development Control	P18/19	943.5	(266.3)	677.2
323.0	(1.6)	321.3	Forward Planning	P18/19	344.0	0.0	344.0
2,070.1	(88.9)	1,981.1	Corporate and Democratic Core	P18/19	2,226.6	(142.7)	2,083.9
10,468.0	**(4,226.0)**	**6,242.0**	**Cost of Services**		**12,153.2**	**(5,080.5)**	**7,072.6**
		0.8	Net Loss/(Gain) on disposals of Fixed Assets				(3.1)
		(19.5)	Interest and Investment Income	P18/19			(112.9)
		42.7	Revaluation losses against previous losses in Comprehensive income and Expenditure	P18/19			127.4
		112.0	Pension Interest Cost and Expected Return on Pension Assets	N27			88.0
		135.9	**Financing and Investing Income and Expenditure**				**99.3**
		6,378.0	**Net Operating Expenditure**				**7,172.0**
		(5,229.8)	National Park Grant				(5,229.8)
		1,148.2	**Net Deficit on Provision of Services**				**1,942.2**
		(1,942.7)	Revaluation (gains) on Property, Plant and Equipment	N15			(2,310.7)
		(3,649.0)	Actuarial gains on pension assets and liabilities	N27			(8,956.0)
		(5,591.7)	**Other Comprehensive Income and Expenditure**				**(11,266.7)**
		(4,443.5)	**Total Comprehensive Income and Expenditure**				**(9,324.6)**

Expenditure and Funding Analysis 2022/23

	Outturn figures	IFRS Adjustments IAS19	Accumulated Absences	Capital Assets	Depreciation Adjust.	Interest & Technical Adjustment	Net Expenditure in Final Accounts
	£000	£000	£000	£000	£000	£000	£000
	1	2	3	4	5	6	7
Conservation of Natural Environment	729.6	247.0	1.1	(1.2)	0.0	0.0	976.6
Conservation of Cultural Heritage	286.5	51.1	(0.5)	0.0	0.0	0.0	337.2
Recreation Management	461.1	168.8	1.3	(20.2)	65.8	0.0	676.8
Promoting Understanding	1,186.2	239.4	2.4	0.0	87.3	0.0	1,515.3
Rangers, Estate Services & Volunteers	385.8	76.1	(0.3)	0.0	0.0	0.0	461.7
Development Control	510.1	167.8	(0.4)	(2.0)	1.6	0.0	677.2
Forward Planning	309.2	36.0	(1.2)	0.0	0.0	0.0	344.0
Corporate Management & Administration/Training	1,680.3	233.6	(2.1)	(11.6)	70.7	112.9	2,083.9
Net Cost of Services	**5,548.9**	**1,220.0**	**0.4**	**(35.0)**	**225.4**	**112.9**	**7,072.6**
Interest Received						(112.9)	(112.9)
Net gain on disposal fixed assets				(3.1)			(3.1)
Revaluation losses in Comprehensive income and Expenditure			.		418.4		418.4
Revaluation gains against previous losses in Comprehensive income and Expenditure			.		(291.0)		(291.0)
Pension Interest costs		88.0					88.0
National Park Grant & Levies	(5,229.8)						(5,229.8)
Net (Surplus)/Deficit on Provision of Services	**319.1**	**1,308.0**	**0.4**	**(38.2)**	**352.8**	**0.0**	**1,942.2**
Surplus on revaluation of non-current assets					(2,310.7)		(2,310.7)
Actuarial gain on pension assets and liabilities		(8,956.0)					(8,956.0)
Total Comprehensive Income and Expenditure	**319.1**	**(7,648.0)**	**0.4**	**(38.2)**	**(1,957.9)**	**0.0**	**(9,324.6)**
Opening General Fund Balance	**(4,250.8)**			**Unusable Reserves 2021/22**			**(7,939.7)**
Surplus on Comprehensive Income and Expenditure	319.1			(9,643.7)			(9,506.5)
Closing General Fund Balance at 31 March 2023	**(3,931.7)**			**Unusable Reserves 2022/23**			**(17,583.4)**

Expenditure and Funding Analysis 2021/22

	Outturn figures £000	IFRS Adjustments IAS19 £000	Accumulated Absences Account £000	Capital Assets £000	Depreciation Adjust. £000	Interest & Technical Adjustment £000	Net Expenditure in Final Accounts £000
	1	**2**	**3**	**4**	**5**	**6**	**7**
Conservation of Natural Environment	607.7	223.2	0.7	0.0	0.0	0.0	831.6
Conservation of Cultural Heritage	107.4	46.2	(0.5)	0.0	0.0	0.0	153.1
Recreation Management	447.7	182.3	0.6	(22.6)	58.1	(26.5)	639.5
Promoting Understanding	880.5	223.6	(2.3)	0.0	90.2	(0.6)	1,191.3
Rangers, Estate Services & Volunteers	388.1	83.0	0.1	0.0	0.0	0.0	471.2
Development Control	481.2	172.4	(2.2)	0.0	1.4	0.0	652.9
Forward Planning	278.8	42.2	0.3	0.0	0.0	0.0	321.3
Corporate Management & Administration/Training	1,658.5	237.1	(1.4)	(4.8)	72.2	19.5	1,981.1
Non distributed costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Cost of Services	**4,849.9**	**1,210.0**	**(4.8)**	**(27.4)**	**221.9**	**(7.6)**	**6,242.0**
Interest Received						(19.5)	(19.5)
Net loss on disposal fixed assets				0.8			0.8
Revaluation losses in Comprehensive income and Expenditure				.	234.7		234.7
Revaluation gains against previous losses in Comprehensive income and Expenditure				.	(192.1)		(192.1)
Pension Interest costs		112.0					112.0
National Park Grant & Levies	(5,229.8)						(5,229.8)
Net (Surplus)/Deficit on Provision of Services	**(379.9)**	**1,322.0**	**(4.8)**	**(26.6)**	**264.6**	**(27.2)**	**1,148.2**
Surplus on revaluation of non-current assets					(1,942.7)		(1,942.7)
Actuarial gain on pension assets and liabilities		(3,649.0)					(3,649.0)
Total Comprehensive Income and Expenditure	**(379.9)**	**(2,327.0)**	**(4.8)**	**(26.6)**	**(1,678.1)**	**(27.2)**	**(4,443.5)**

Opening General Fund Balance	(3,843.8)	**Unusable Reserves 2020/21**	(3,903.3)
Surplus on Comprehensive Income and Expenditure	(407.0)		(4,036.5)
Closing General Fund Balance at 31 March 2022	(4,250.8)	**Unusable Reserves 2021/22**	(7,939.7)

Balance Sheet

As at 31 March 2023

31 March 2022 £000		Notes	31 March 2023 £000
11,290.8	Property, Plant and Equipment	5	13,286.9
6.5	Heritage Assets	6	6.5
95.2	Long Term Investments	6	76.3
0.0	Pension Asset	27	4356.0
11,392.5	**Long Term Assets**		**17,725.8**
99.4	Inventories	8	120.9
122.2	Short Term Investments	6	23.4
983.5	Short term Debtors	9	823.1
4,031.6	Cash and Cash Equivalents	10	4,029.6
5,236.7	**Current Assets**		**4,997.1**
0.0	Cash and Cash Equivalents	10	0.0
(64.5)	Short Term Provisions	12	(64.9)
(1,082.1)	Short Term Creditors	11	(1,142.8)
(1,146.6)	**Current Liabilities**		**(1,207.7)**
0.0	Long Term Provisions	12	0.0
(3,292.0)	Pension Liability	27	0.0
(3,292.0)	**Long Term Liabilities**		**0.0**
12,190.6	**NET ASSETS**		**21,515.1**
3,661.4	Earmarked Reserves	3	3,206.9
589.4	General Fund Balance	3	724.8
4,250.8	**Usable Reserves**		**3,931.7**
6,350.4	Revaluation Reserve	15	8,624.3
4,945.9	Capital Adjustment Account	16	4,668.1
(3,292.0)	Pension Reserve	27	4,356.0
(64.5)	Accumulated Absences Account	18	(64.9)
7,939.7	**Unusable Reserves**		**17,583.4**
12,190.6	**TOTAL RESERVES**		**21,515.1**

I confirm that these accounts were approved by the Yorkshire Dales National Park Authority on 3 December 2024.

Signed on behalf of the Yorkshire Dales National Park Authority

Julie Hutton

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Chair of the Finance & Resource Committee

Cash Flow Statement
Year Ended 31 March 2023

31 March 2022 £000		31 March 2023 £000
	Operating Activities	
(1,148.2)	**Net Deficit on provision of services**	**(1,942.2)**
221.9	Depreciation	225.4
609.7	Increase in creditors	60.7
(478.8)	(Increase)/Decrease in debtors	160.3
(8.7)	Increase in inventories	(21.5)
1,322.0	Pension Liability (Note 27)	1,308.0
42.7	Decrease in Revaluation of assets (Note 5)	127.4
1.6	Carrying amount of non-current asset disposal	8.8
(4.8)	(Decrease)/Increase in provisions	0.4
1,705.6	**Adjustment to net surplus on the provision of services for non-cash movements**	**1,869.5**
(0.8)	Adjustments for items included in the net surplus on the provision of services that are investing and financing activities	(11.9)
556.6	**Net Cashflows from Operating Activities**	**(84.6)**
	Investing Activities	
0.8	Income from sale of asset	11.9
(28.2)	Purchase of property, plant and equipment (Note 5)	(47.0)
(27.4)	**Net Cashflows from Investing Activities**	**(35.0)**
	Net Cashflows from Financing Activities	
18.9	Long Term Investments	**117.6**
548.2	**Net increase in cash and cash equivalent**	**(2.0)**
3,483.4	Cash or cash equivalents at the beginning of the reporting period	4,031.6
4,031.6	**Cash or cash equivalents at the end of the reporting period**	**4,029.6**

Notes to the Core Financial Statements

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

None.

2. 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			2022/23
	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	(225.4)	0.0	0.0	225.4
Revaluation Losses on Property, Plant and Equipment	(418.4)	0.0	0.0	418.4
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	(8.8)	0.0	0.0	8.8
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:				
Capital Expenditure charged against the General Fund	35.0	0.0	0.0	(35.0)
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	11.9		0.0	(11.9)
Revaluation Gains allocated to the Provision of Services to reverse losses in previous year charged to the Provision of Services	291.0	0.0	0.0	(291.0)
Adjustments involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (note 27)	(1,877.0)	0.0	0.0	1,877.0
Employers Pension Contributions and direct payments to pensioners payable in the year	569.0	0.0	0.0	(569.0)
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	(0.4)	0.0	0.0	0.4
Total Adjustments	**(1,623.0)**	**0.0**	**0.0**	**1,623.0**

3. 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-Mar-22 £000	Movement £000	31-Mar-23 £000
Non-DEFRA Externally Funded Reserves			
Access for All	50.0	(19.4)	30.6
Attracting Families	39.3	(10.0)	29.3
Ingleborough Access Project - Natural England	25.9	(25.9)	0.0
Legacies	159.4	(18.9)	140.5
Swaledale Barns	53.1	5.9	59.0
Operational Reserves			
Contingency (10% budgeted spend)	1,112.7	(29.7)	1,083.0
Carry Forward Budgets to 23/24	0.0	460.3	460.3
Reserve to balance 2023/24 Budget		69.9	69.9
B4RN Broadband Shares	72.7	3.6	76.3
Broadband Loans	57.7	(33.4)	24.3
Carry Forward Budgets to 2022/23	619.4	(619.4)	0.0
Reserve to balance 2022/23 Budget	393.0	(393.0)	0.0
Loan Commitments	87.0	(87.0)	0.0
Property, Plant & Equipment Reserves			
IT (5 Year Replacement and Upgrade)	233.4	113.5	346.9
Plant & Equipment (5 Year Replacement)	83.0	18.0	101.0
Property (5 Year Maintenance)	276.9	(24.3)	252.6
Ranger Accommodation	200.0	0.0	200.0
Car Park Resurfacing	0.0	100.0	100.0
Planned works and Ring-fenced Matched Funding			
Rights of Way Erosion (2 year project)	5.1	(5.1)	0.0
Tees Swale - HLF 'Naturally Connected' (5 year project)	150.0	(50.0)	100.0
Grow Back Greener (3 year project)	42.7	90.5	133.1
Total Earmarked Reserves	**3,661.4**	**(454.5)**	**3,206.9**
General Reserve	**589.4**	**135.4**	**724.8**
Total Usable Reserves	**4,250.8**	**(319.1)**	**3,931.7**

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 2022/23 which is carried forward into 2023/24, and any potential liabilities arising from loan and share commitments.

- 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.

- 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.

4. Grant Income

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2022/23.

	30 March 2022 £000	30 March 2023 £000
Credited to Non Specific Grant Income		
National Park Grant	5,229.8	5,229.8
Total Non-Specific Grant Income	**5,229.8**	**5,229.8**
Credited to Services		
DEFRA	419.1	1,068.9
Natural England	535.8	460.0
Heritage Lottery Fund	461.0	549.2
Other Government Agencies	387.7	317.0
Other	307.7	703.2
Total Service Grants	**2,111.3**	**3,098.2**
Total Grants	**7,341.1**	**8,328.0**

5. (a) Property, Plant and Equipment

Movements in 2022/23	Land and Buildings	Vehicles, Plant & Equipment	Total Assets
Cost or Valuation	**£000**	**£000**	**£000**
At 1 April 2022	10,816.3	862.3	11,678.7
Additions	0.0	47.0	47.0
Disposals	0.0	(29.3)	(29.28774)
Net Revaluation **increases** recognised in the Revaluation Reserve	2,168.6	0.0	2,168.6
Net Revaluation **decreases** recognised in the Comprehensive Income & Expenditure Statement	(127.4)	0.0	(127.4)
Other movements in cost or valuation		0.0	0.0
At 31 March 2023	**12,857.5**	**880.0**	**13,737.5**
Accumulated Depreciation and Impairment			
At 1 April 2022	0.0	387.8	387.8
Depreciation Charge	142.1	83.3	225.4
Depreciation written out on Revaluation	(142.1)	0.0	(142.1)
Disposals		(20.510)	(20.5)
At 31 March 2023	**0.0**	**450.6**	**450.6**
Net Book Value			
At 1 April 2022	10,816.3	474.5	11,290.8
At 31 March 2023	12,857.5	429.4	13,286.9

Movements in 2021/22	Land and Buildings	Vehicles, Plant & Equipment	Total Assets
Cost or Valuation	**£000**	**£000**	**£000**
At 1 April 2021	9,057.4	869.9	9,927.3
Additions	0.0	28.2	28.2
Disposals	0.0	(35.8)	(35.8)
Net Revaluation **increases** recognised in the Revaluation Reserve	1,801.6	0.0	1,801.6
Net Revaluation **decreases** recognised in the Comprehensive Income & Expenditure Statement	(42.7)	0.0	(42.7)
Other movements in cost or valuation		0.0	0.0
At 31 March 2022	**10,816.3**	**862.3**	**11,678.7**
Accumulated Depreciation and Impairment			
At 1 April 2021	0.0	341.2	341.2
Depreciation Charge	141.1	80.8	221.9
Depreciation written out on Revaluation	(141.1)	0.0	(141.1)
Disposals		(34.2)	(34.2)
At 31 March 2022	**0.0**	**387.8**	**387.8**
Net Book Value			
At 1 April 2021	9,057.4	528.7	9,586.1
At 31 March 2022	10,816.3	474.5	11,290.8

(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 was replaced at end of life, including trailers, a quad bike and the workshop table saw. Buildings and Land have not received any major investment. Sites were re-valued at 31st March 2023 so any changes in value are included within the revaluation values.

(d) Capital Expenditure
The capital expenditure of £47k on Fixed Assets was financed by revenue expenditure (£35.1k), and by the proceeds on the sale of machinery (£11.9k).

(e) Analysis of Fixed Assets
Significant fixed assets of the Authority at 31st March 2023:

Buildings	**31 March 2022 Number**	**31 March 2023 Number**
National Park Centres	3	3
Museum/National Park Centre	1	1
Public Conveniences	11	11
Administrative Building	2	2
Total	**17**	**17**

The Authority operates five National Park Centres; one is situated within the Dales Countryside Museum, and the National Park Centre at Reeth is housed in a building which is not owned by the Authority.

6. Heritage Assets and Investments

Heritage Assets
The Authority owns one Heritage Asset, a 10th Century Gold Viking Ring, which was purchased on the open market for £6.5k in December 2010; it is valued at cost which is considered to be its fair market value, and there is no depreciation.

Investments

Investments	**Short Term** Within 1 year **£'000**	**Long Term** Over 1 year **£'000**	**Total £'000**
B4RN Loans	23.4	0.0	23.4
B4RN Shares	0.0	76.3	76.3
Total Investments	**23.4**	**76.3**	**99.8**

The Authority issued five unsecured loans on five year terms to an Industrial and Provident Society, Broadband for the Rural North. Three loans were repaid in 2022/23 the remaining two are due for repayment in 2023/24. Interest is accruing at 5% and is repayable with the capital sum at the end of the loan period. The Authority also holds long term unsecured shares of £76.3k with the same organisation.

7. 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; and
- Corporate governance.

(b) Financial Instruments Balances

The following table lists Loans & Receivables of less than one year.

Organisation	31 March 2022 £'000	31 March 2023 £'000
The Lune Rivers Trust	87.0	0.0
Broadband for the Rural North	35.2	23.4
North Yorkshire Council Treasury	4,031.6	4,029.6
Total Investments	**4,153.8**	**4,053.0**

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 NYCC;
- 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:

  i. The Authority's overall borrowing limits;
  ii. Its maximum and minimum exposures to fixed and variable interest rates;
  iii. 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	90+
	£000	£000	£000	£000	£000
Debtors Invoiced	217	0.0	0.5	1.6	0.0

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.

8. Inventories

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

	31 March 2022 £000	31 March 2023 £000
Opening Balance	**90.7**	**99.4**
Purchases	198.7	243.4
Recognised as an expense in year	(187.3)	(220.7)
Written off balances	(2.7)	(1.2)
Closing Balance	**99.4**	**120.9**

9. Debtors

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

	31 March 2022 £000	31 March 2023 £000
Organisation		
Central Government Bodies	638.1	417.5
Other Local Authorities	40.9	119.0
Other Entities and individuals	304.6	286.6
Total Debtors	**983.6**	**823.1**
Including:		
Prepayments	43.7	50.7

Provision for Doubtful Debt
A provision has not been provided for doubtful debts; the debtors past due are expected to be paid.

10. Cash and Cash Equivalents

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

	31 March 2022 £000	31 March 2023 £000
Cash held by the Authority	2.1	2.1
Bank Current Account	3.9	51.4
Term Deposit with North Yorkshire Council Treasury	4,025.6	3976.1
Total Cash and Cash Equivalents	**4,031.6**	**4,029.6**

Interest received from the deposit with North Yorkshire Council Treasury in 2022/23 was £107.1k (£11.2k 2021/22). Accumulated Loan interest accrued was £10.0k, £6.5k of which was paid by 31st March 2023, leaving £3.5k due (£7.7k 2021/22).

11. 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:

Organisation	30 March 2022 £000	30 March 2023 £000
Central Government Bodies	101.8	124.7
Other Local Authorities	286.8	256.8
Other Entities and individuals	693.6	761.4
Total Creditors	**1,082.2**	**1,142.8**
Including Income in Advance	135.1	244.6

12. Provisions

The provisions recorded on the balance sheet in 2022/23 can be analysed as follows:

Accumulated Absences
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.

	31 March 2022 £000	31 March 2023 £000
Opening Balance	**69.3**	**64.5**
Amounts used in year	-69.3	-64.5
Additional provision	64.5	64.9
Short Term Provision	**64.5**	**64.9**

13. 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 3.

14. Unusable Reserves

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

15. Revaluation Reserve

The Code requires that the Revaluation Reserve reflects only changes that have arisen since 1 April 2007. On 31 March 2023 all building and land assets were revalued by Align property services.

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.

2021/22 £000	Revaluation Reserve	2022/23 £000
4,442.1	**Balance at 1st April**	6,350.4
2,001.0	Upward revaluation of assets	3,520.5
(58.4)	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the provision of services	(1,209.8)
1,942.7	Surplus or Deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	2,310.7
(34.5)	Difference between fair value depreciation and historical cost depreciation	(36.8)
1,908.2	Movement on Reserve in year	2,273.9
6,350.4	**Balance at 31st March**	**8,624.3**

16. 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.

31 March 2022 £000		31 March 2023 £000
5,149.4	**Balance brought forward**	**4,945.9**
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(221.9)	Charges for depreciation and impairment of non-current assets	(225.4)
(42.7)	Revaluation increases/(decreases) on Property, Plant and Equipment charged to the Income Statement	(127)
0.0	Revenue expenditure funded from capital under statute	0.0
(264.6)		(352.8)
34.5	Adjusting amounts written out of the Revaluation Reserve	36.8
(230.1)	Net written out amount of the cost of non-current assets consumed in year	(316.0)
	Capital Funding applied in the year:	
0.8	Use of the Capital Receipts Reserve to finance new capital expenditure	11.9
25.8	Capital expenditure charged against the General Fund	26.3
4,945.9	**Balance carried forward**	**4,668.1**

17. 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 27).

2021/22 £000	Movement in Reserves Statement	2022/23 £000
1,884.0	Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the code	1,877.0
(562.0)	Actual amount charged against the General Fund Balance for pensions in the year	(569.0)
1,322.0		**1,308.0**

18. 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.

2021/22 £000		2022/23 £000
69.3	**Balance at 1 April**	64.5
(4.8)	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	0.4
64.5	**Balance at 31 March**	**64.9**

19. 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.

20. 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

	2021/22 £000	2022/23 £000
Allowances	93.4	99.4
Expenses	5.3	9.5
Total	**98.7**	**108.9**

21. Agency Services

In 2022/23 the Authority did not provide any agency services.

22. External Audit Costs

The Authority incurred £15.3k expenditure in relation to the audit of the Statement of Accounts by Ernst & Young LLP in 2022/23 (£9.3k in 2021/22), this is above the contracted amount of £9.3k. The audit fee for 2020/21 for additional burdens is in dispute with Public Sector Audits Appointment Ltd (PSAA) but an accrual of £4.8k was included in these accounts. The audit fee for 2021/22 is likely to be disputed by Ernst & Young also, but the audit had not taken place at the time of writing these accounts so no accrual was made for this additional fee.

23. 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	2021/22	2022/23
	No of Staff	No of Staff
£50,000 - £54,999	8	6
£55,000 - £59,999	0	4
£60,000 - £64,999	0	0
£65,000 - £69,999	0	0
£70,000 - £74,999	1	1
£75,000 - £79,999	2	1
£80,000 - £84,999	0	0
£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	1	1
	12	**13**

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 2021/22 or 2022/23.

	2021/22	2022/23
	£	£
Chief Executive		
Basic Salary	95,740	97,665
Pension	14,552	13,185
Total	**110,292**	**110,850**
Director of Conservation & Communities		
Basic Salary	67,549	67,188
Pension	10,267	9,996
Total	**77,816**	**77,184**

	2021/22 £	2022/23 £
Director of Corporate Services		
Basic Salary	65,263	50,391
Pension	9,920	6,314
Total	**75,183**	**56,705**
Director of Park Services		
Basic Salary	65,399	63,925
Pension	9,176	8,630
Total	**74,575**	**72,555**
***Director of Corporate Services**		
Basic Salary	37,017	46,767
Pension	5,627	6,314
Total	**42,644**	**53,081**
	70,126	69,566 (FTE)

(*Part time Solicitor - 22.5 hours per week 60.8% until Nov 22, new role full time from Dec 22)

24. 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 2022/23 is shown in note 20. 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 relationships.

Officers have day-to-day control of the running of the Authority's affairs. No material related party transactions have occurred with officers in 2022/23.

Transactions with Related Parties in 2022/23:

	Payments	Receipts	Outstanding Creditors	Outstanding Debtors
	£000	£000	31 March 2023 £000	31 March 2023 £000
Related Parties Other				
Hudson House Ltd	9.6			
Yorkshire Dales Millennium Trust	10.0	(57.0)		
D Allen T/A C H Allen	25.7			
Cornmill Tea Room	1.6			
J Parfitt Plumbing & Heating Ltd	1.3			
St Marys Church Arkengarthdale	4.0			
Local Government				
Bradford Metropolitan District Council		(0.6)		(0.1)
Brecon Beacons National Park Authority		(0.8)		
Broads Authority	5.4	(0.2)		
Calderdale MBC	1.6		1.6	
Craven District Council - Rates	94.8			
Craven District Council		(9.2)		(1.8)
Cumbria County Council	2.7	(15.0)	10.9	
Dartmoor National Park Authority		(0.3)		
Derbyshire County Council	45.6	(8.3)	47.0	
Durham County Council	145.3	(59.6)	35.3	(18.2)
Exmoor National Park Authority	4.0	(0.5)		
Hambleton District Council	5.0			
Kirklees Council	28.1	(25.3)	28.1	(25.3)
Lake District National Park Authority	5.3	(0.3)		
Lancashire County Council	63.5		62.8	
North Pennines AONB Partnership		(172.7)		(38.2)
North York Moors National Park Authority	3.2	(0.3)		
North Yorkshire Council	90.0	(138.3)	19.5	(25.8)
Northumberland Council	7.3		7.3	
Northumberland National Park Authority	11.7	(0.3)	5.2	
Oldham Council	8.8			
Peak District National Park Authority	47.2	(9.3)	39.1	(8.8)
Richmondshire District Council	0.2			
Richmondshire District Council - Rates Refund	26.5			

	Payments £000	Receipts £000	Outstanding Creditors 31 March 2023 £000	Outstanding Debtors 31 March 2023 £000
South Downs National Park Authority	2.8	(10.9)		
South Lakeland District Council		(3.7)		(0.4)
Westmorland & Furness Council	3.9	(3.9)		(0.3)
Central Government				
DEFRA		(6,384.2)		(26.8)
Environment Agency	6.3			
Environment Agency (Vehicle Leases)	20.7			
Heritage Lottery Fund Yorkshire & the Humber		(397.5)		(142.4)
Natural England (Inc. Rural Payments Agency)	4.1	(461.6)		(199.7)
	686.2	**(7,759.5)**	**256.8**	**(487.9)**

Transactions with Related Parties in 2021/22:

	Payments £000	Receipts £000	Outstanding Creditors 31 March 2022 £000	Outstanding Debtors 31 March 2022 £000
Related Parties Other				
Hudson House Ltd	9.2			
Yorkshire Dales Millennium Trust	19.9	(60.0)		
The Cragg & Carr Farm	8.0			
Local Government				
Bradford Metropolitan District Council		(0.3)		
Brecon Beacons National Park Authority	1.0			
Broads Authority	8.7	(0.2)		
Calderdale MBC			4.4	
Craven District Council - Rates	90.3			
Craven District Council	8.1	(31.1)		(1.7)
Cumbria County Council	16.5		10.6	
Dartmoor National Park Authority	0.6			

	Payments	Receipts	Outstanding Creditors 31 March 2022	Outstanding Debtors 31 March 2022
Local Government	**£000**	**£000**	**£000**	**£000**
Derbyshire County Council	39.1		23.1	
Durham County Council	152.9	(13.2)	75.8	
Eden District Council	3.9	(6.1)		
Exmoor National Park Authority	0.1	(0.2)		
Kirklees Council		(34.2)		
Lake District National Park Authority	6.7	(0.2)		
Lancashire County Council	59.5		58.5	
North Pennines AONB Partnership		(93.7)		(25.7)
North Yorkshire Council	41.3	(121.0)	13.3	
Northumberland National Park Authority	9.2	(0.1)	1.1	(0.2)
Oldham Council	22.7		22.7	
Peak District National Park Authority	83.9	(0.2)	66.4	
Richmondshire District Council		(47.2)		(0.3)
Richmondshire District Council - Rates Refund		(24.2)		
Scarborough Borough Council	1.0		0.2	
South Downs National Park Authority	1.8	(40.4)		(33.6)
South Lakeland District Council		(5.2)		(0.5)
Tameside MBC			10.5	
Central Government				
DEFRA		(5,648.9)		(57.6)
Environment Agency	5.7	(44.9)	5.2	(44.9)
Environment Agency (Vehicle Leases)	4.8			
Heritage Lottery Fund Yorkshire & the Humber		(461.0)		(174.1)
Natural England (Inc. Rural Payments Agency)	4.6	(548.4)		(335.4)
	599.7	**(7,180.6)**	**291.8**	**(674.0)**

25. Leases

Under the Code, leases are classified as either operating or financing leases using the substance over form tests to assess if the asset is essentially 'owned'; if a lease is classified as a finance lease the asset is transferred to the Balance Sheet and a corresponding Finance Lease Liability is created. All current leases have been tested, and have been found to be correctly classified as operating leases, therefore there is no change to the accounting treatment or changes to the 2022/23 financial statements.

The Authority as a Lessee

The Authority has operating leases, as follows:

Assets	Section Charged in the Comprehensive Income & Expenditure Statement	Paid in 2021/22	Paid in 2022/23
		£000	£000
Photocopiers	Corporate Management	4.8	4.8
Partnership Centres	Promoting Understanding	27.9	28.2
Triple Kiln	Promoting Understanding	1.3	1.5
Wainwarth Force	Promoting Understanding	0.1	0.3
Ranger Bases	Recreational Management	27.6	30.3
Vehicles	Recreational Management	76.5	92.1
		138.2	**157.1**

The future minimum lease payments due under non-cancellable leases in future years are:

	2021/22	2022/23
	£000	£000
Leases due within next 12 months	112.7	71.4
Leases due between one and five years	38.4	90.0
Leases due later than 5 years	0.6	8.3
	151.7	**169.7**

The Authority as Lessor

All the leases are supported by signed agreements where the rental income is fixed for a period of time and payable in instalments. Leases do not give the option to buy at a reduced rate; the Authority retains ownership of the assets.

The Authority has operating leases, as follows:

Assets	Section Revenue taken in the Comprehensive Income & Expenditure Statement	Received in 2021/22	Received in 2022/23
		£000	£000
Land	Park management	3.3	3.3
Car Park & Toilets	Park management	4.0	4.0
Bowling Green	Park management	0.9	0.9
Centre Cafés	Prom. Understanding	16.3	15.6
		24.5	**23.8**

The future minimum lease payments due under non-cancellable leases in future years are:

	2021/22	2022/23
	£000	£000
Leases due within next 12 months	24.5	24.4
Leases due between one and five years	33.1	33.2
Leases due later than 5 years	38.3	30.1
	95.9	**87.7**

26. Termination Benefits

There were no redundancy payments in 2022/23.

27. 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.

The value of actuarial gains and losses recognised in the Comprehensive Income and Expenditure Statement in the year to the 31 March 2023 is a gain of £7,648k.

Pension Scheme Adjustments affecting the Financial Statements

2021/22 £000	Comprehensive Income and Expenditure Statement	2022/23 £000
	Cost of Service	
1,754.0	Current Service Cost	1,764.0
18.0	Admin Costs	25.0
	Effect of curtailments and settlements	
1,772.0		**1,789.0**
	Financing and Investment Income and Expenditure	
112.0	Net Interest Expense	88.0
112.0		**88.0**
1,884.0	**Total Post Employment Benefit Charged to the surplus or deficit on the provision of service**	**1,877.0**

	Re-measurement of the net defined benefit liability comprising:	
49.0	Return on plan assets	5,164.0
5.0	Actuarial gains arising on changes in demographic assumptions	335.0
(3,095.0)	Actuarial gain arising on changes in financial assumptions	(17,899.0)
(1,157.0)	**Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement**	**(10,523.0)**

2021/22 £000	**Movement in Reserves Statement**	**2022/23 £000**
1,884.0	Reversal of net charges made to the surplus or deficit on the provision of services for post-employment benefits in accordance with the code	1,877.0
(562.0)	Actual amount charged against the General Fund Balance for pensions in the year	(569.0)
1,322.0		**1,308.0**

2021/22 £000		**2022/23 £000**
(5,619.0)	**Balance at 1 April**	(3,292.0)
3,649.0	Actuarial gains on pensions assets and liabilities	8,956.0
(1,884.0)	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	(1,877.0)
562.0	Employers pensions contributions and direct payments to pensioners payable in the year	569.0
(3,292.0)	**Balance at 31 March**	**4,356.0**

2021/22 £000	**Estimated payment in future year**	**2022/23 £000**
1749	Projected Service Cost	668

Assets and Liabilities in Relation to Post-Employment Benefits

North Yorkshire Pension Fund

2021/22 £000		**2022/23 £000**
46,043	**Benefit Obligation at beginning of period**	44,832
1,772	Current Service Cost	1,789
964	Interest on Pension Liabilities	1,213
244	Member Contributions	279
(608)	Experience (Gain)/Loss	3,444
(3,095)	Loss/(Gain) on Financial Assumptions	(17,899)
5	Loss/(Gain) on Democratic Assumptions	335
(493)	Benefits/transfers paid	(591)
44,832		**33,402**

2021/22 £000	Change in Plan Assets during period	2022/23 £000
40,424	Fair Value of plan assets at beginning of the period	41,540
852	Interest on plan assets	1,125
(49)	Remeasurement Gain/(Loss) on assets	(5,164)
562	Employer Contributions	569
244	Member Contributions	279
(493)	Benefits/transfers paid	(591)
41,540	**Fair Value of the plan assets at the end of period**	**37,758**

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 decrease in the fair value of the plan assets in the year was £3,782k (2021/22: increase of £1,116k).

Present value of liabilities:	2022/23 £000	2021/22 £000	2020/21 £000	2019/20 £000	2018/19 £000
Fair value of assets in the Local Government Pension Scheme	37,758	41,540	40,424	31,932	31,308
(Surplus)/Deficit in the scheme:	(4,356)	3,292	5,619	4,847	4,076
Total	**33,402**	**44,832**	**46,043**	**36,779**	**35,384**

The liabilities show the underlying commitments that the Authority has in the long run to pay post-employment benefits. The net surplus of £4,356k has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet:

The total contribution expected to be made to the Local Government Pension Scheme by the Authority in the year to 31 March 2024 is £572k (£570k paid in 2022/23). The contribution rates are falling from 13.5% in 2022/23 to 13.1% in 2023/24, this rate is expected to fall to 12.7% in 2024/25, and 12.4% in 2025/26. The next triennial review is due to adjust rates from 2026/27 onwards.

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:

	31 March 2022	31 March 2023
Financial Assumptions	**%**	**%**
Discount Rate	2.70	4.70
Salary Increases	3.95	3.95
CPI Inflation	3.00	2.70
Pension Increases	3.00	2.70
Pension Accounts Revaluation Rate	3.00	2.70
Mortality Assumptions		
Life expectancy of male (female)		
-current pensioner aged 65	22.5 (24.9) years	22.6 (25) years
-future pensioner aged 45	23.4 (26.0) years	23.5 (26) years

Pension Assets	**31 March 2022**	**31 March 2023**
	%	**%**
Equities	55.7	52.1
Property	7.4	6.4
Government Bonds	16.8	11.0
Other Bonds	7.7	7.2
Cash/Liquidity	1.1	1.4
Other	11.3	21.9
	100.0	**100.0**

History of Experience Gains and Losses

The actuarial gains identified as movements on the Pension Reserve in 2022/23 can be analysed into the following categories, measured as a percentage of assets or liabilities at 31 March 2023.

	Experience (gains) and losses on liabilities		Re-measurement (gain) or loss on Assets		Actuarial (gains) and losses on liabilities		Actuarial (gains) and losses	
Year	**£000**	**%**	**£000**	**%**	**£000**	**%**	**£000**	**%**
2022/23	3,444.0	10.3	5,164.0	13.7	(17,564.0)	(0.5)	(8,956.0)	(26.8)
2021/22	116.0	0.3	53.0	0.1	(3,550.0)	(0.1)	(3,381.0)	(7.5)
2020/21	(342.0)	(0.7)	(7,708.0)	(19.1)	8,050.0	0.2	0.0	0.0
2019/20	1,577.0	4.9	307	0.8	(715.0)	(0.02)	1,169.0	3.7
2018/19	45.0	0.1	(1,189.0)	(4.2)	2,084.0	1.9	940.0	2.9

28. Contingent Liabilities

There are no contingent liabilities.

29. Investments and Loans

Two loans to Broadband for the Rural North (B4RN) were outstanding as at 31st March 2023 totalling £23.4k, including £3.5k accrued interest. Three loans were repaid in year totalling £36.5k, including £6.5k accrued interest; the remaining loans are due to be repaid between in 2023/24.

The Authority has shares of £76.3k with B4RN, being a £70k initial investment; interest accrued is used to buy more shares at £1 per share, interest for 2022/23 amounted to £3.6k.

30. Expenditure by Nature

	2021/22 £000	2022/23 £000
Expenditure		
Employee benefits expenses	4,951	5,484.8
Other services expenses	5,295	6,443.0
Depreciation, amortisation, impairment	265	367.6
Interest costs	112	88.0
Loss/(Profit) on the disposal of assets	1	(3.1)
Total Expenditure	**10,623**	**12,380**
Income		
Fees, charges and other contributions	(2,121)	(1,982)
Interest & investment income	(20)	(113)
Government Grants & Contributions	(7,335)	(8,328)
Total Income	**(9,475)**	**(10,423)**
Deficit on the provision of services	**1,148**	**1,957**

31. 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 2022/23 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. IFRS16 Finance Leases was to have been introduced in the 2020/21 code. However, CIPFA has since deferred the start date until 1 April 2024. The impact of IFRS 16 cannot yet reasonably be estimated and work will be undertaken to inform the impact on the 2024/25 Accounts. There are therefore no accounting changes due in 2022/23 that are anticipated to have a material effect on the Authority's financial performance or financial position.

Summary of Significant Accounting Policies

1. General

The Statement of Accounts summarises the Authority's transactions for the 2022/23 financial year and its position at the year end of 31 March 2023. It has been prepared in accordance with the statutory framework established for England by the 'Accounts and Audit (England) Regulations 2015', which require accounts to be prepared with proper accounting practices. These practices comprise the 'Code of Practice on Local Authority Accounting in the United Kingdom 2022/23' supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2015 Act.

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.

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 £725k, and Contingency Reserves of £1,083k 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 £4.0m at the balance sheet date is sufficient to finance more than 5 months of expenditure at approximately £0.8m per month. During this period the Authority's forecasted cash position would remain in positive position.

2. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. 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 return 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.

8. 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.

9. 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.

10. 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.

11. Inventories

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

12. Leases

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.

The leases are assessed according to the length and value of the lease, the responsibilities for maintenance and insurance, and the ability to purchase the asset at a reduced value at the end of the lease. All Authority leases have been classed as operating leases under the rules in IFRS standards on Leasing – IAS 17.

The Authority as a Lessee

The Authority has entered into leasing arrangements that are defined by The Code as operating leases. In these cases, the rentals payable are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight line basis over the life of the lease.

The Authority as a Lessor

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 Cost of Service line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight line basis over the life of the lease.

13. 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.

14. Property Plant & 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.

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). Align Property Partners last undertook a full market valuation of the Authority's land and buildings as at 31 March 2023; a full revaluation is required at least every five years.

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 at fair value are re-valued where there have been any material changes in the value, but as a minimum every five years. 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 no residual value at 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.

Asset Revaluation:

The Authority commissions a full revaluation of its Land and Building assets every five years, the latest being completed on 31 March 2023, if there is a material difference in valuation, then this is reflected in the Accounts. For 2022/23, this exercise was undertaken by a MRICS-Registered Valuer employed by Align Property Valuers, using the guidance in the CIPFA 2022/23 Code which includes the adoption of 'IFRS13 Fair Value Measurement'.

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.

15. 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 £1k are not capitalised.

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

16. 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. The Authority has not identified any such contingent liabilities as at 31 March 2023.

17. 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.

18. 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.

19. 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 at 31 March 2023 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. A 0.1% p.a. change in the discount rate assumption would result in an approximate net change of £568k plus or minus. A 0.1% p.a. change in salary inflation would result in a net change of £100k plus or minus. A 0.1% change in the pension increase rate would result in a net change of £467k plus minus. A 1 year change to members' life expectancy would result in a net change of £868k plus or £901k minus.
Buildings	Repairs and maintenance are provided by the Authority to buildings; if there were to be a further 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.

20. 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.

21. VAT

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

22. Events after the Balance Sheet Date

The Statement of Accounts was authorised for issue by the Chief Financial Officer on 31/05/23. 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 2023, the figures in

the financial statements and notes have been adjusted in all material respects to reflect the impact of the information.

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

IFRS16 Finance Leases was to have been introduced in the 2020/21 Code. However, CIPFA has since deferred the start date until 1 April 2024. There are therefore no accounting changes due in 2022/23 that are anticipated to have a material effect on the Authority's financial performance or financial position.

Annual Governance statement 2022/23

1. The purpose of the governance framework

1.1 The governance framework comprises the systems, processes, culture and values by which the Yorkshire Dales National Park Authority ('the Authority') is directed and controlled; and the activities through which it accounts to, engages with, and leads 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.

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 2023 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 consistent with the CIPFA/SOLACE guidance note on *Delivering Good Governance in Local Government (*revised and re-issued in 2016).

A copy of the Local Code of Corporate Governance is published on the Authority's website and can be obtained from the Monitoring Officer, 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 & Audit (England) Regulations 2015 (as amended) 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 meetings of Committees (Finance & Resources, Audit & 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, which are widely publicised through policies, agendas, the website, staff induction and appraisals.

Policies, codes and protocols are reviewed when there is a change in legislation or, in any event, every five years. 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 an Employee Code of Conduct which include reference to the Nolan Principles, and procedures for declarations of interests. The Authority's Member Code of Conduct was reviewed in 2017, with a minor amendment made in March 2020 to include a new general obligation which requires Members to promote an inclusive and diverse culture in the Authority. The Employee Code of Conduct was last reviewed in 2018. The Authority's Member Officer Protocol which sets out guidance on the relationship between Members and officers was reviewed in March 2020 when the Authority also adopted a Social Media Protocol for Members.

The Authority has a Standards Committee. Two new Independent Persons were recruited in 2018 and appointed to the Standards Committee. The term of office for one of the Independent Persons has been extended until June 2024 and the term of office for the other Independent Person has been extended until June 2026. 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 and attend annual training.

The Monitoring Officer considers complaints concerning 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 and Guidance is available for Members and officers in relation to declaration of interests and gifts and hospitality. The Register of Interests for each Authority Member is published on the Authority's website.

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.

The Authority also has a clear Policy in place for dealing with Complaints; this was reviewed in October 2021.

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. The Deputy Monitoring Officer is also a Solicitor who attends and advises the Planning Committee. Together these officers are responsible for ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.

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.

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 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 bolstered 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 is independently re-assed annually and has been retained every year since.

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 including the extended areas was adopted by the Authority in 2018 for the period 2018-2023.

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. Revisions are reported to the Audit & Review Committee and agreed by the full Authority. The Scheme of Delegation was reviewed in March 2021 and updated in December 2022 to reflect the structural changes to the Senior Management Team.

Minutes of meetings and delegated decisions are published. The Chair and Chief Executive present feedback reports to the Authority and Member Champions report to the Authority on their work.

The Authority's Data Protection Policy was reviewed to ensure that the Policy and procedures are in accordance with changes to the legislation which took effect in May 2018.

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 and the Chair of the Authority each have job 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 it participates in 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 (02/2016). The Authority's Chief Financial Officer (s151 Officer) is the Head of Finance, who sits on the Senior Management Team, 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. They attend and advise 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, updates and training 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 2022 and is planned for 2023.

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 strategic risks to the Audit & Review Committee.

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 is in place (last reviewed in September 2022) 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 following that review key staff received appropriate training.

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 Statement on the Role of the Head of Internal Audit (2019) 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 Statement on the Role of the Head of Internal Audit (2019 edition). Principle 3 of the Statement states that the Head of Internal Audit (HIA) must "be a senior manager with regular and open engagement across the organisation, particularly with the leadership team and with the audit committee." 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, proportionate and in accordance with the organisational responsibilities set out by CIPFA within the Statement which says "the individual could be someone from another organisation

where internal audit is contracted out or shared. Where this is the case then the roles of the HIA and the client manager must be clearly set out in the contract or agreement." Both the "seniority" and "access to management" requirements 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, 2018).

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 (Ernst & Young) and promptly considers audit findings and recommendations.

The relationship with the External Auditor is supported by regular 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.

At the time of drafting this Statement, the Annual Audit Letters in relation to 2021/22 and 2022/23 had not been received, however, an unqualified audit opinion is expected.

7. Conclusion

7.1 This AGS is based on the review of the Local Code of Corporate Governance undertaken in November 2022 and on the 2016 CIPFA/SOLACE guidance.

7.2 Checks are in place to ensure compliance with the governance framework: **Table A** identifies the issues raised in the 2021/22 AGS and records the actions taken.

7.3 The preparation of the 2022/23 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.**

TABLE A: Matters raised within the 2021/22 Annual Governance Statement

Issue	Update on Action taken
Review of Protected Landscapes - Glover Review	A number of years have now passed since the Landscapes Review was published. Government published its response in April 2022, since which some issues have been dealt with as part of the recently published (Jan 23) Environmental Improvement Plan. Matters that require changes to legislation are still being discussed as part of the progress of the Levelling Up and Regeneration Bill. Government decided not to use the legislation that saw the introduction of Unitary Councils in Cumbria, North Yorkshire and Somerset to make the proposed changes to National Park Authority membership. They have committed to examining this issue in the coming year – for all 9 National Park Authorities in England and the Broads Authority.
Local Plan	Local Plan Consultation No. 5: 'Preferred Options' took place during July and August 2022. This set out 50 policies covering all aspects of the emerging Local Plan. A report of the response to this consultation was presented to the Authority on 20 September 2022. Officers are currently working through the consultation responses and drafting more detailed policy wording and an explanation for each policy. The next public stage of the Local Plan will be 'Consultation No.6: 'Site options' will take place over a period of six weeks during April and May.
Reviews of corporate documents (strategies and policies), in line with the 5-year cycle of planned reviews.	i. Biodiversity Action Plan (replaced by draft Nature Recovery Plan June 2022) ii. Access to Information Statement (completed August 2022) iii. Anti- Fraud and Corruption Policy (completed September 2022) iv. Enforcement Policy (completed December 2022) v. Income Generation Strategy (completed March 2023) vi. ICT Strategy (completed December 2022)
Member Training	Prepare an annual training plan for Members (including financial training - completed April 2022).
Financial Sustainability	Work was conducted between December and February to address the Authority budget shortfall in 2023/24 which is balanced. The following two years are expected to be balanced with new income streams which will be pursued during 2023/24, or by reductions in programme spend.

People Management	An action plan was created after the full IIP assessment in 2021 and following the 12-month IIP review, undertaken in October 2022, the action plans were updated using the recommendations and suggestions received from the Assessor. The action plans are working documents and are updated to accommodate amendments and to indicate when actions have been completed.
External Audit	Re-contract for external audit services through participating in the national Public Sector Audit Appointments procurement process (completed December 2022 with Mazars appointed).
Treasury Management Code and Prudential Code	Develop our approach to the revisions of these Codes published in December 2021 (which have their 'soft' launch' in 2022 and full implementation 2023/24) (completed November 2022)

TABLE B: Matters identified during the preparation of the 2022/23 Annual Governance Statement

Issue	Explanation
Local Plan	Consultation No. 6: 'Site Options' will take place over a period of six weeks during April and May. The Authority will publish a list of possible sites for house building in an attempt to meet the proposed Local Plan target of 850 new homes between 2023 and 2040. In addition to the site options the Authority will also consult on a list of proposed housing development boundaries around each town and village which is intended to provide guidance on where new infill or rounding off housing development may be permissible. The responses will be reported to the June Authority meeting for information. In the Autumn, Members will agree a final list of sites, boundaries and policies that will go into a Publication Plan for formal public consultation later this year.
Local Government Reorganisation	The Authority's membership will change as a result of local government reorganisation and the creation of two new unitary Authorities (North Yorkshire Council and Westmorland and Furness Council) which take effect from 1 April 2023. This will impact on the membership of the Authority's committees which will be addressed and resolved at the Authority AGM in June.
Reviews of corporate documents (strategies and policies), in line with the 5-year cycle of planned reviews.	(i) Planning Code of Good Practice (September 2023) (ii) Risk Management Policy (November 2023)
Member Training	Prepare an annual training plan for Members (April 2023)
Financial Sustainability	Carry out work to address Authority budget shortfalls in 2024/25 & 2025/26.
External Audit	Ensure a smooth hand over during 23/24 from the current auditor Ernst & Young to the new auditor Mazars and ensure that the 23/24 audit is completed in time to hand over.

Signed

Julie Hutton

Chair of the Finance & Resource Committee
Julie Hutton

Chief Executive
David Butterworth

Date 3 December 2024
On behalf of the Yorkshire Dales National Park Authority.