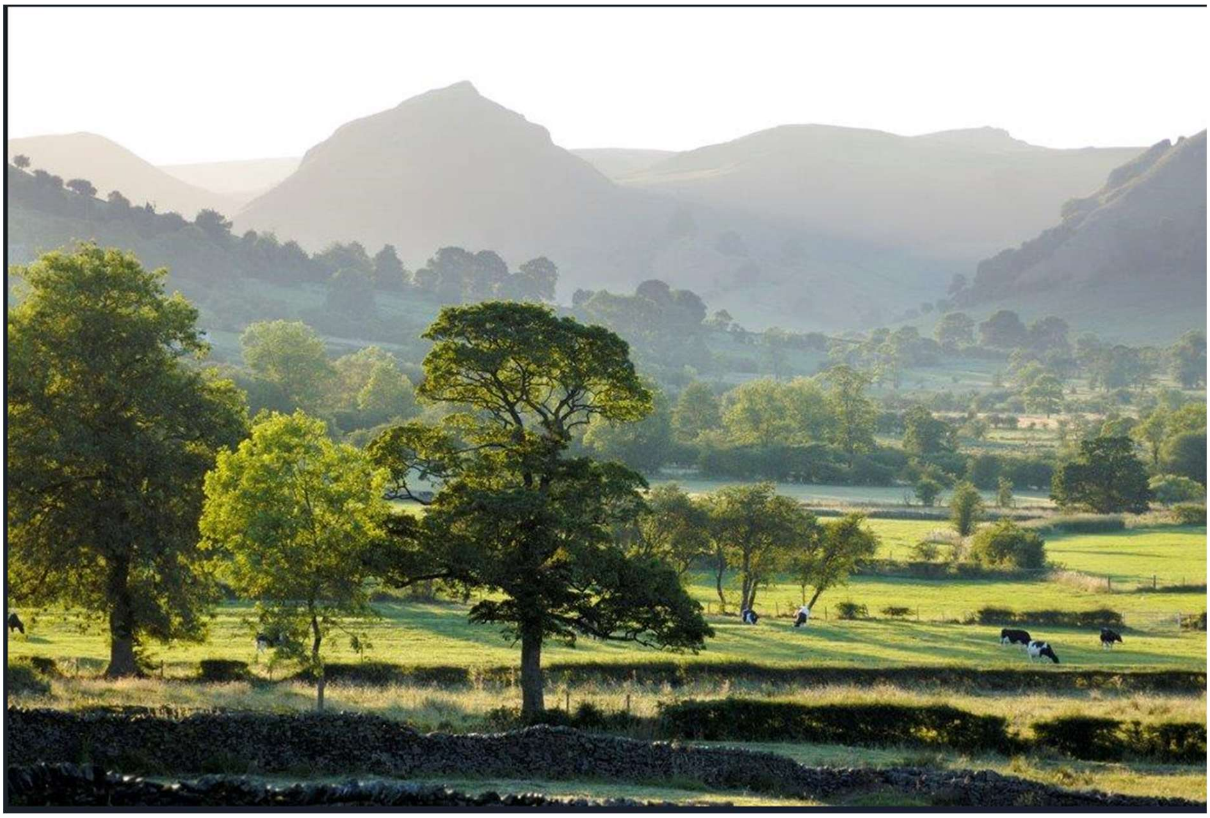
PEAK DISTRICT NATIONAL PARK

Statement of Accounts

2023/24



Statement of Accounts
for the Financial Year

1st April 2023 to 31st March 2024

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Signed: **Date:**

Chair of the Authority

In accordance with the requirements of the Accounts & Audit Regulations 2015 paragraph 9 (2) c

Statement of Responsibilities for the Statement of Accounts

The Authority's responsibilities

The Authority is required:

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

The Chief Finance Officer's responsibilities

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

In preparing this statement of accounts, the Chief Finance Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the Code.

The Chief Finance Officer has also:

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

Authorisation for Issue and Certificate of Chief Finance Officer

I certify that the accounts give a true and fair view of the financial position of the National Park Authority as at 31st March 2024 and its income and expenditure for the year ended 31st March 2024.

Sinead Butler ACCA
Finance Manager and Chief Finance Officer
31st May 2024

Peak District National Park Authority
Annual Accounts for the Year Ended 31st March 2024

Narrative Report

These Accounts contain all the information required by the Accounts & Audit Regulations 2015 and the Code of Practice on Local Authority Accounting, with accounts prepared in accordance with International Financial Reporting Standards (IFRS). As the Authority does not have any material interests in subsidiaries, associates or jointly controlled entities, these Accounts represent the accounts of a single entity and no consolidated Group Accounts are required.

Accompanying notes, cross referenced from the statements, explain in greater detail some of the calculations and reasoning behind the figures; these notes, on pages 27 – 66, form part of the financial statements. The figures are rounded up to the nearest thousand pounds. The accounts comprise the following principal statements:

Comprehensive Income & Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Authority, analysed into usable reserves (i.e. those that can be applied to fund expenditure) and other unusable reserves. The Statement shows how the movement in year of the Authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices, and the statutory adjustments required to return to the amounts required to be reported to show the impact on the General Fund Balance, in line with statute for Local Authorities.

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets (assets less liabilities) of the Authority are matched by the reserves held by the Authority, which are reported in two categories. The first category of reserves are usable reserves i.e. those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The Capital Receipts Reserve may only be used to fund capital expenditure or repay debt, and the remaining revenue reserves comprise the General Fund Balance, although this is split further into Restricted Reserves, Earmarked Reserves, and the

General Reserve. The second category of reserves comprises those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses e.g. 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 in Reserves Statement line "Adjustments from income and expenditure charged under the accounting basis to the funding basis".

Cash Flow Statement

The Cash Flow statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of National Park Grant, other grant income, or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

Each year the Department for Environment, Food and Rural Affairs (Defra) sets the level of funding for the National Park Authority. In 2023/24, the funding was again set at £6.699m (£6.699m in 2022/23). An annual balanced budget is set by the Authority based on the National Park Grant, income from sales, fees and charges and internal financing measures such as interest on cash flow and use of reserves.

Overall, the Authority's Earmarked reserves decreased by £462k, of which £82k is a net transfer to the Revenue Grant Reserve for unspent grant income received in year. We have introduced a new reserve called the Medium Term Financial Plan Reserve, to fund future forecasted deficits. We feel this is a prudent use of reserves, in order to balance our budget in future years. Please see note 7 for a full breakdown. There was also a net reduction of £70k for the Capital Receipts Reserve, mainly as a result of the use of capital receipts to fund capital expenditure in the year.

The Service Expenditure Analysis has moved in line with our organisational restructure and also aligns with how we present and manage our budgets and internally. This is also how we present data at budget monitoring meetings with members. We will continue to use the Defra headings for any Government returns.

The Authority continued its rolling programme of asset re-valuations, concentrating this year on land and buildings – specifically car parks that had not formed part of the previous year's revaluations.

The Authority is required to show the present value surplus or deficit position on its share of the Pension Fund on the Balance Sheet. The net position as at 31st March 2024 shows an asset of £7.855m, an increase in value of £4.568m compared to the asset of £3.287m for the previous year (representing a pension liability, which is now 113% funded, up from 105% at

31 March 2023). However, the based on the asset ceiling calculation, provided by the Actuary, the funded surplus will not be recognised as an asset. Only the unfunded liability of (£504) is to be recognised. The liability is assessed on an actuarial basis using a present value estimate of the pensions that will be payable in future years, over and above the assets within the Fund retained for this purpose. The level of employer and employee contributions into the Fund are assessed every three years with a view to ensuring that the assets within the Fund are capable of financing in full future pension commitments. Significant fluctuations in the valuations for pension assets and liabilities often occur as a result of the prevailing economic conditions (e.g. bond yields, stock market values, inflation rates etc), on which the valuations are based, at the balance sheet date. Full details are explained in Note 32.

For the 2023/24 financial year, the Authority set a borrowing limit (the authorised limit) of £2.5m. The Authority's external borrowing as at 31st March 2024 was £299k. The Authority's Capital Financing Requirement, i.e. its underlying need to borrow for capital purposes, was £1.128m at 31/03/2024 (£1.242m at 31/03/2023). The Authority did not enter into any financing transactions during the year, and relied upon internal cash resources.

Analysis of amounts recognised in the financial statements.

On 3 February 2023, the Authority approved the 2023/24 Budget. Following an organisational restructure in July 2023, a further revised budget was authorised by Authority in November 2023. This incorporated pay savings and costs from the restructure, as well as the capturing the pay award uplift. Other elements of the budget were also updated to incorporate the latest forecast of income and expenditure. The variances from 2023/24 were mainly as a result of pay underspends caused by vacancies as well as some areas of income greater than budgeted. Interest rate increases in year, resulted in higher than forecast return on investments. A more detailed financial commentary on the 2023/24 results can be found in the outturn report published in July 2024, obtainable from the Authority's website www.peakdistrict.gov.uk - under Committee meetings or by request to the Finance Manager, Aldern House, Baslow Rd, Bakewell, Derbyshire, tel. 01629 816344. Many of the changes shown in the Comprehensive Income and Expenditure Statement arise from normal business or project related fluctuations; the main differences (above £50k and 10% of the previous year's net expenditure) are outlined below. Year on year we have undergone an organisational restructure, therefore a number of variances are not comparable

	Difference £'000	Comment
Comprehensive Income and Expenditure (CIES)		
Assets & Enterprise		
Rural Estates Team	(116)	Reduction in payroll costs due to movement of personnel between departments
Grant Development	73	£130k grant to the Foundation in the current year not in the prior year
North Lees Estate	55	£39k of Timber sales income in prior year not in current year. Higher costs for casual labour in current year at North Lees campsite
Car Parks - Non-Estate	(61)	Car parking permit income increased by £36k and car parking fees income increased by £37k
Trails	67	Due to capital expenditure adjustments
Visitor Centres	129	In prior year Castleton Visitors centre increased in value by £434k from capital revaluation which showed as a benefit
Warslow Moors Estate	263	In the prior year there was £338k of expenditure which related to capital assets, so excluding this resulted in lower revenue expenditure
Forestry & Woodlands	(108)	There was a £99k impairment of Lathkill Dale asset in the prior year
Moors for Future Team	138	Higher staff costs in the current year
Moors for the Future Projects	738	Fluctuation in project costs between financial years
NE Private Lands Projects	254	In current year showing the cost of writing off debts owed from private land owners
MoorLIFE2020	704	Exchange Rate Risk Issue (Note 33)
Assets & Enterprise Capital Projects	(427)	Less capital expenditure in the current year on Trails Structures (lower by £165k) and refurbishing and improving corporate assets based on condition surveys (lower by £156k)
Engagement Team	(148)	Restructure of Engagement team means payroll costs moving between departments and reduction in heads overall
Engagement Projects	(134)	Increase in funding for projects by £91k on prior year
Land & Nature Projects	58	Increase in expenditure relating to the ELMs (£77k) and Longdendale Trails (£31k) projects
Farming in Protected Landscapes	(179)	Fluctuation in project costs between financial years
Cultural Heritage	(56)	Lower staff costs in the current year
South West Peak Project	(62)	Project now finished. Small amount of legacy spending continuing
Finance	53	Higher audit fees and external contractor costs (£43k) in current year
Customer & Democratic Support	(151)	Restructuring and combining of departments in September 2023 means a lower expenditure in the current year
Legal	(57)	Head of Legal post vacant
Non-distributed Costs	331	Organisation restructure costs

The Development and Performance of the Authority in the 2023/24 Financial Year

The Authority has two significant operational plan documents relevant to the financial year covered in this Statement of Accounts:

- The Annual Governance Statement 2023/24
- The Performance and Business Plan 2023/24, with the Authority meeting receiving performance monitoring reports on progress in achieving year end performance targets, based on this plan.

A link to the 2023/24 Year End Performance Report, 2023/24 Performance and Business Plan and 2023/24 Corporate Risk Register 2023/24 Year End Performance Report, 2023/24 Performance and Business Plan and 2023/24 Corporate Risk Register can be found below:

https://democracy.peakdistrict.gov.uk/documents/s57563/Authority%20Progress%20Report%20-%20Year%20End%2023-24.pdf

The Annual Governance Statement can be found on the website here:-

- Document Annual Governance Statement 2023 - 2024: Peak District National Park

The performance monitoring report summarises progress into two categories: - priorities on target and priorities with performance issues. The Chief Finance Officer has reviewed the above documents with a view to reporting any additional explanations which may help users of these accounts to understand what impact any significant departure from planned expectations has had on the reported financial statements. Where items are identified as not achieved, an explanation will be provided if this has a material financial impact on the Statement of Accounts.

The Annual Governance Statement reviews the Authority's governance arrangements and identifies any issues relevant during the year which may have an effect on effectiveness. In carrying out the review we took account of our assurances, received during the year. The Annual Governance Statement for 2023/24. The key financial assurances identified by the CFO, being:

1. External Audit Annual Audit Letter and unqualified opinion/satisfactory conclusions
2. Confirming, in accordance with CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption that the Peak District National Park Authority has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud. The Authority's ability to achieve sustainable gross income targets.
3. Assurances given from 'those charged with governance' including: members of the Management Team, Statutory Officers (Head of Paid Service, Chief Finance Officer, Monitoring Officer) and Chair of the Authority.

It has been noted that we are still waiting on the annual report and assurance opinion for 2023/24. We have been made aware by Internal audit that the report will be ready for presenting at July authority. There are no major risks flagging in any of the areas audited in 2023/24.

The Authority's Cashflow

The Cashflow statement shows how cash resources were expended or received during the year. The main factors affecting the Authority's cashflows are:

- The timing of grant monies, usually claimed after funds are expended
- The timing of drawdown of National Park Grant from Defra
- Any significant capital expenditure and the timing of any borrowing to support this expenditure
- The availability of reserve monies.

The Authority estimates cashflow expenditure and draws down National Park Grant in advance on a quarterly basis; because of the variability of grant funding and the significant amount of external grant funding the Authority receives, a margin of safety is built into the drawdown of National Park Grant, so that the Authority does not have to borrow monies temporarily for cashflow purposes.

Capital Expenditure and Commitments

The Authority approved an updated Capital Strategy on 12 April 2024 which set out a forward Capital Programme to 2027/28, however it is expected that this will be reviewed annually. The strategy estimated potential capital expenditure in support of the corporate strategy of up to £4.56m, financed by borrowing of up to £1.22m, allocations from the Authority's Capital Reserve and other reserves of up to £2.64m and £703k from revenue resources. All Capital expenditure is governed by the key principles outlined in the Capital Strategy which can be found on the Authority's website under the agenda and reports section of the Authority meeting for 12 April 2024. The Capital Reserve reported in the Balance Sheet reduced in the year from £1.392m to £1.321m due to continued capital works. The Capital Financing Requirement is estimated to reduce as planned capital works are expected to be funded more from asset disposals rather than additional borrowing, however all estimated future borrowing is expected to be covered by the Authorised Limit as approved in the 12 April 2024 Authority report, £3.0m from 2024/25 to 2026/27. Debt repayments for borrowing are either found within current revenue budgets or are funded by income, with the risk covered by a combination of strong interest cover ratios and increased asset values, rather than underwritten by reliance on National Park Grant.

Major Changes in Statutory Functions or Delivery, and Reduction in Services

The Authority has undergone a significant organisational change during 2023/24 to ensure the continued financial resilience of the Authority. There are no major changes in statutory functions, however as part of the restructure, services have been streamlined and Heads of Service appointed to manage the departments within their area. The original budget for the 2023/24 year was approved on the basis that the Authority would be able to balance its revenue budget with reasonable assurance up to March 2024. Following the organisational change, a revised budget was approved to ensure our budget would still remain balanced.

National Park Grant

The November 2021 Spending Review was a three year settlement and as a result in May 2022 the Authority was issued with a three year grant agreement from Defra. This confirmed that the grant level will remain fixed at £6.669m for 2022/23, 2023/24 and 2024/25. Despite the publication of Landscapes Review in September 2019, which recommended inflation protection for National Park Grant as a minimum, this has yet to be implemented. At the time of publishing these accounts, the National Park Grant has yet to be confirmed by DEFRA. The medium-term financial stability of National Parks therefore remains uncertain.

Conclusion

The Authority has maintained a satisfactory financial position in 2023/24, however significant vacancies across the Authority have contributed to an underspend in various budgets this year. The Authority's underlying financial strategy continues to have four principal aspects. The first is achieving a balance between maximising funding sources, and ensuring that agreed budgets do not include speculative or imprudent assumptions. The second follows on as a consequence, ensuring that our budgetary control procedures remain robust. The implementation of a new finance system in October 2023, which is still in its early adoption phase, will be fully utilised to ensure budget managers are accountable for their budgets .The third is to continue to ensure that the Authority's fixed asset base is sustainable, in line with the approved Asset Management Plan and Capital Strategy, and that the rationalisation of the Authority's property portfolio continues which in turn will reduce maintenance liabilities and potentially provide capital receipts for further investment in the remaining portfolio. The fourth concerns a cautious approach to longer term commitments, ensuring the Authority is able to maintain a degree of flexibility in responding to future settlements, whilst retaining sufficient contingency reserves.

Summary of Significant Accounting Policies

1. General Principles

The Statement of Accounts summarises the Authority's transactions for the 2023/24 financial year and its position at the year-end of March 2024. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, which require preparation in accordance with proper accounting practices. These practices comprise the Code of Practice on Local Authority Accounting in the UK (2023/24), supported by International Financial Reporting Standards (IFRS).

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

The analysis of expenditure used in the Comprehensive Income and Expenditure Statement is based on the requirements contained in the Grant Funding Agreement issued by the Department for Environment, Food and Rural Affairs (Defra), and is consistent with internal management reporting.

2. Accruals of Income and Expenditure

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

- Revenue from the 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 a 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 (including employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for as income and expenditure respectively on the basis of the effective interest rate for the relevant financial instrument, rather than the cash flows fixed or agreed by the contract, which may be different.
- When 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 amount which might not be collected is written down from the debtors' balance and charged to the Comprehensive Income and Expenditure Statement (CIES).

3. Acquisitions and Discontinued Operations

Any income or expenditure directly related to the acquisition of operating services, or discontinued operations, is shown in a separate disclosure note to the accounts, together with any outstanding liabilities arising from closure of a service.

4. 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 within 3 months or less from the date of acquisition and are readily convertible to known amounts of cash with no significant risk of a change in value.
In the Cashflow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand.

5. Exceptional Items

When items of income and expenditure are material, their amount is disclosed separately in a note to the accounts.

6. 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 in the year 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. Material errors discovered in prior period figures are corrected. Where a change is made it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied, or as if the error had not been made.

7. 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 non-current assets during the year:

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

The Authority is not required to charge the National Park Grant with the amount required to fund depreciation, revaluation and impairment losses or amortisations. It is however required to make an annual contribution from revenue to the reduction in its overall borrowing requirement, which is derived from an amount prudently determined by the Authority in accordance with its Treasury Management Policy. This contribution is known as the Minimum Revenue Provision and any difference between the two amounts is adjusted for between the capital adjustment account and the General Fund balance.

8. Employee Benefits

Short-term employee benefits are those due to be settled within 12 months of the year end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, 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 holiday entitlements (or any form of leave, e.g. time off in lieu) 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 salary rate applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the Provision of Services in the CIES, but is then reversed out through the Movement in Reserves Statement so that holiday benefits are actually charged to revenue in the financial year in which the holiday absence occurs.

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 appropriate service in the CIES when the Authority is committed to the termination. Where termination before retirement involves additional cost to the pension fund, 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 therefore required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

9. Post - Employment Benefits

Employees of the Authority can choose to be a member of the Local Government Pensions Scheme, administered by Derbyshire County Council, which provides defined pension benefits to members earned as employees whilst working for the Authority. The cost of providing pensions for employees in this scheme is funded in accordance with the statutory requirements governing the scheme, and is accounted for in accordance with the requirements of IAS 19, as interpreted by the Code of Practice.

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. Liabilities are discounted to their value at current prices, using a discount rate.

The assets of Derbyshire County Council's pension fund attributable to the Authority are included in the Balance Sheet at their fair value – at current bid price for quoted securities; professional estimate for unquoted securities; and market value for property.

The change in the net pension's liability/asset is analysed as follows:

- current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the CIES to the services for which the employee 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 CIES as part of Non-Distributed Costs.
- Net interest cost – the change during the period in the scheme's net liability arising from the passage of time - debited to the Financing and Investment Income & Expenditure line in the CIES.
- Re-measurements: – the return on scheme assets attributable to the Authority, excluding amounts included in the net interest cost above, charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Re-measurements: - 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, charged to the Pensions' Reserve as Other Comprehensive Income and Expenditure.
- contributions paid to the pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities, not accounted for as an expense.
- The Authority has applied the accounting standard in relation to the defined benefit pension asset/liability and the asset ceiling. The asset ceiling calculation has been provided by actuary based on the present value of the projected future service cost less the minimum future contributions. The current contribution rate has been judged to be the best indication of a minimum funding rate with the future service cost being derived from the actuary projections. This has resulted in the funded asset being capped at £0. This has no impact on the Authority's usable reserves.

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 movements to and from the Pensions' Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid or payable to the pension fund. The negative balance that arises on the Pensions' Reserve therefore measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than when benefits are earned by employees.

10. Events After the Balance Sheet Date

Events after the Balance Sheet date are those events that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

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

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

11. Financial Instruments

Financial Liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual charges to the Financing and Investment Income & Expenditure line in the CIES for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the Authority's borrowings this means that the amount presented in the Balance Sheet is the outstanding principal repayable, and interest charged to the CIES is the amount payable for the year according to the loan agreement.

Gains and losses on the re-purchase or early settlement of borrowing are credited and debited to the Financing and Investment Income & Expenditure line in the CIES in the year of re-purchase / settlement. Where re-purchase has taken place as part of restructuring the loan portfolio, and involves modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the CIES is spread over the life of the loan by an adjustment to the effective interest rate.

Financial Assets are classified into two types – loans and receivables, which are assets which have fixed or known payments but are not quoted in an active market; and available-for-sale assets, which have a quoted market price and may or may not also have fixed or known payments.

Loans and receivables are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost.

Financing and Investment Income & Expenditure line in the CIES for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the relevant service, or to the Financing and Investment Income & Expenditure line in the CIES if not attributable. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.
Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing and Investment Income & Expenditure line in the CIES. Where fair value cannot be measured reliably, the instrument is carried at cost (less any impairment losses).

12. Foreign Currency Translation
Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts are outstanding at the year-end, they are re-converted at the spot exchange rate at 31st March. Resulting gains or losses are recognised in the Financing and Investment Income & Expenditure line in the CIES.

13. Government Grants and Contributions
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 reasonable assurance that the Authority will comply with the conditions attached to the payments and that the grants or contributions will be received.

Amounts recognised as due to the Authority are not credited to the CIES until conditions attached to the grant or contribution 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, otherwise the 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 as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line, if attributable, or to Taxation and non-specific Grant Income in the CIES if not ring-fenced or if they are capital grants.

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

14. Heritage Assets
Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities which are held and maintained principally for their contribution to knowledge and culture. The accounting standard has been introduced in order to move these assets onto a valuation basis on the Balance Sheet, rather than as previously, a historic cost basis; the predominant reason for the introduction of the change is to ensure that items held within Local Authority museum and gallery collections are properly reflected in valuation terms on the Balance Sheet.

The standard also allows a Local Authority to move other Community Assets, which are currently accounted for on the same historic cost basis, onto a valuation basis.

Notwithstanding its historical or other heritage qualities, any asset used by an organisation in its operations is still accounted for as an operational asset, and not as a heritage asset. It is therefore accounted for as set out in the Summary of Accounting policies note paragraph 3.19. The current approach to Heritage assets in this Statement of Accounts is summarised in Note 31.

15. Intangible Assets

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

Intangible assets are measured initially at cost, and are carried on the Balance Sheet at their amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line in the CIES, as are any losses arising from impairment of the asset. Any gain or loss arising on the disposal of an intangible asset is posted to the Other Operating Expenditure line in the CIES.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and, if it is a sale over £10,000, the Capital Receipts Reserve.

16. Inventories and Long-Term Contracts

Inventories are included in the Balance Sheet at the lower of cost or net realisable value. The cost of inventories is assigned using the average costing formula.

Long Term Contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

17. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards of ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification. If an arrangement does not have the legal status of a lease but in substance conveys a right to use an asset in return for payment, and fulfilment of the arrangement is dependent on the use of specific assets, they are also accounted for under this policy.

<u>The Authority as Lessee, Finance Leases</u>

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the start of the lease at either its fair value measured at the lease's inception or if lower, the present value of the minimum lease payments. The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset, and any premium paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred. The lease payments are apportioned between a charge for the acquisition of the interest in the asset – which is used to write down the lease liability, and a finance charge which is debited to the Financing and Investment Income & Expenditure line in the CIES. Property, plant & equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life, assuming ownership of the asset does not transfer to the Authority at the end of the lease period. The Authority is not required to account for depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with the Authority's Treasury Management Policy. Depreciation, revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

The Authority as Lessee, Operating Leases
Rentals paid under operating leases are charged to the CIES as an expense of the services benefitting from use of the leased property, plant and equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments.

The Authority as Lessor, Finance Leases
Where the Authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the start of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant & Equipment or Assets held for sale) is written off to the Other Operating Expenditure line in the CIES as part of the gain or loss on disposal. A gain, representing the Authority's net investment in the lease, is credited to the same line in the CIES also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet. Lease rentals receivable are apportioned between a charge for the acquisition of the interest in the asset – which is used to write down the lease debtor, and finance income which is debited to the Financing and Investment Income & Expenditure line in the CIES. The gain credited to the CIES on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve. The written off value of disposals is not a charge against National Park Grant, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

The Authority as Lessor, Operating Leases
Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the CIES. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the asset and charged as an expense over the lease term on the same basis as the rental income.

18. Overheads and Support Services
The costs of overheads and support services are not recharged to those services that benefit from the supply or service, as this is how these services are reported in the internal management accounts, however the Authority does maintain an activity-based costing model which helps to inform what these charges would be, which supports our budget setting and determination of financial objectives for services.

19. Property, Plant & Equipment
Assets that have physical substance, 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 for more than one financial year, are classified as Property, Plant & Equipment. Assets below the de minimis value of £10,000 are not introduced into the balance sheet unless they are part of a pooled system of assets.

Recognition
Expenditure on the acquisition, creation or enhancement of Property, Plant & 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 which 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 Authority does not capitalise borrowing costs incurred whilst assets are under construction. The cost of assets acquired other than by purchase is deemed to be fair value, unless the acquisition has no impact on cash flow, in which case, where an asset is exchanged, the cost of the acquisition is deemed to be the carrying amount of the asset given up in exchange. Donated assets are measured initially 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 CIES, unless the donation has been made conditionally, in which case until conditions are satisfied the gain is held in the Donated Assets Account. Where gains are credited to the CIES, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves statement. Assets are carried into the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historic cost.
- Surplus assets – the current value measurement base is fair value, estimated at highest and best use from a market participant's perspective.
- other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value = EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Revaluation

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, 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 CIES where they arise from the reversal of a loss previously charged to a service. Where decreases in value are identified, and there is a balance of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against that balance, up to the amount of the accumulated gains. Where decreases in value are identified, and there is no balance, or an insufficient balance, of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against the relevant service line in the CIES. The Revaluation Reserve contains revaluation gains recognised since 1st April 2007 only, the date of its formal implementation. Gains arising before that date were consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for this shortfall. Where decreases in value are identified, and there is a balance of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against that balance, up to the amount of the accumulated gains. Where impairment losses are identified, and there is no balance, or an insufficient balance, of revaluation gains for the asset in the Revaluation Reserve, they are accounted for by writing down the carrying amount of the asset against the relevant service line in the CIES. Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the CIES, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant & Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets which are not yet available for use (i.e. assets under construction). Depreciation is calculated on a reducing balance basis as follows:

Type of Fixed Asset	Depreciation Period
Land & Community assets	Nil
Furniture & Equipment	over the life of the asset – 5-10 years; computer hardware 3 years
Vehicles	over the life of the asset – 6-20 years
Car Parks	over the life of the asset – 15-20 years
Buildings	over the life of the asset – 60 years, unless the valuer indicates a shorter asset life.
Intangible Assets	over the life of the asset – 5 years
Surplus Assets	Surplus assets are usually Buildings, so they share the same 60-year asset life, unless the valuer indicates a shorter asset life.
Infrastructure Assets	over the life of the asset – 60 years, unless a shorter asset life is warranted as a result of applying a component accounting approach

Where an item of Property, Plant & Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. 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 historic cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is re-classified as an Asset Held for Sale. The asset is re-valued immediately before re-classification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the CIES. Gains in fair value are recognised only up to the amount of any previous losses in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale. If assets no longer meet the criteria to be classified as Assets Held for Sale, they are re-classified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale (adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale) and their recoverable amount at the date of the decision that the criteria were not met. Assets that are to be scrapped are not re-classified as Assets Held for Sale.

Where an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the CIES as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the CIES (i.e. netted off). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. The written off value of disposals is not a charge against National Park Grant, as the cost of fixed assets is fully provided for under separate Local Authority arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Amounts received for a disposal in excess of £10,000, or where the asset has been previously capitalised, are categorised as capital receipts and are credited to the Capital Receipts Reserve, available only for new capital investment or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

20. Provisions, Contingent Liabilities and Contingent Assets
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 CIES 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. When payments are eventually made they are charged to the provision carried in the Balance Sheet. If the provision proves not to be required, the provision is reversed and credited back to the CIES. Income potentially recoverable from a third party which would offset the provision is only recognised if it is virtually certain to be received.

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 are not recognised in the Balance Sheet but are disclosed in a note to the accounts. Where the event might give rise to an asset (i.e. a contingent asset) these are not recognised in the Balance Sheet but are disclosed in a note to the accounts only where it is probable that there will be an inflow of economic benefits or service potential.

21. Reserves
The Authority sets aside specific amounts as reserves for future National Park purposes or to cover contingencies. Reserves are created by transferring 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 CIES. The reserve is then transferred back in to the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against National Park Grant for the expenditure. Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Authority.

22. Revenue Expenditure Funded from Capital Under Statute
Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the CIES. Where the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the National Park Grant.

23. 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.

Comprehensive Income and Expenditure Statement for the Year Ended 31 March 2024

	2022/23			2023/24		
	Gross Expenditure £'000s	**Gross Income £'000s**	**Net Expenditure £'000s**	**Gross Expenditure £'000s**	**Gross Income £'000s**	**Net Expenditure £'000s**
Assets & Enterprise	6,678	(5,786)	893	9,451	(6,980)	2,471
Chief Executive Officer	79	(21)	58	53	(57)	(4)
Landscape & Engagement	3,627	(2,010)	1,616	3,933	(2,758)	1,175
Planning	1,835	(365)	1,470	1,664	(296)	1,368
Resources	3,102	(44)	3,057	2,968	(48)	2,920
Non-distributed Costs	14	0	14	345	0	345
Total Cost of Services	**15,335**	**(8,227)**	**7,108**	**18,415**	**(10,139)**	**8,275**
Other Operating (Income) Expenditure (Note 8)			255			(237)
Financing and Investment Income (Note 9)			280			(591)
Surplus or deficit on discontinued Operations						
National Park Grant and non-specific grant income (Note 10)			(7,220)			(7,269)
(Surplus) or Deficit on Provision of Services			**422**			**178**
(Surplus) or deficit on revaluation of Property, Plant & Equipment assets			(1,255)			(213)
(Surplus) or deficit on revaluation of available for sale financial assets						
Actuarial (gains) losses on pension assets/ liabilities			(20,079)			3,766
Other Comprehensive (Income) Expenditure			**(21,335)**			**3,553**
Total Comprehensive (Income) Expenditure			**(20,912)**			**3,731**

Movement in Reserves Statement

	General Fund Balance £'000s	Capital Receipts Reserve £'000s	Total Usable Reserves £'000s	Un-usable Reserves £'000s	Total Authority Reserves £'000s
Balance at 1st April 2023	9,345	1,392	10,737	23,521	34,258
Movement in reserves during the 23/24 year					0
Total comprehensive Income/ (Expenditure)	(178)		(178)	(3,553)	(3,731)
Adjustments between accounting basis and funding basis under regulations (Note 6)	(517)	(71)	(588)	588	0
Net Increase/ (Decrease) in 23/24	(695)	(71)	(766)	(2,965)	(3,731)
Balance at 31st March 2024	**8,650**	**1,321**	**9,971**	**20,556**	**30,527**
Balance at 1st April 2022	8,014	1,598	9,612	3,734	13,346
Movement in reserves during the 22/23 year					
Total comprehensive Income/ (Expenditure)	(422)		(422)	21,334	20,912
Adjustments between accounting basis and funding basis under regulations (Note 6)	1,753	(206)	1,547	(1,547)	0
Net Increase/ (Decrease) in 22/23	1,331	(206)	1,125	19,787	20,912
Balance at 31st March 2023	**9,345**	**1,392**	**10,737**	**23,521**	**34,258**

Balance Sheet

	Notes	2022/23 £'000s	2023/24 £'000s
Property, Plant & Equipment			
- Land & Buildings	11	20,546	21,201
- Vehicles, Plant & Equipment	11	1,107	976
Intangibles Assets	12	0	28
Other Long term Debtors	20/32	3,287	
Long Term Assets		24,940	22,205
Inventories	13	208	222
Short Term Debtors	14	3,319	3,763
Assets held for Sale	16	0	75
Cash & Cash Equivalents	15	7,954	9,157
Total Current Assets		11,481	13,217
Cash & Cash Equivalents	15		(294)
Short Term Borrowing	34	(33)	(34)
Short term Creditors	17	(1,653)	(3,652)
Accumulated Absences	20	(179)	(147)
Total Current Liabilities		(1,865)	(4,127)
Long Term Borrowing	34	(298)	(264)
Other Long Term Creditors	20/32		(504)
Total Long term Liablities		(298)	(768)
Total Net Assets		**34,258**	**30,527**
Financed by:			
Usables Reserves			
- General Reserve		616	369
- Restricted Funds	7	125	139
- Specific Reserves	7	8,604	8,142
General Fund Balance	1	9,345	8,650
Capital Receipts Reserve	19	1,392	1,321
		10,737	9,971
Unusable Reserve			
- Revaluation Reserve	20	9,476	9,485
- Capital Adjustment Account	20	10,936	11,722
- Pensions' Reserve	20	3,287	(504)
- Accumulated Absences Account	20	(178)	(147)
		23,521	20,556
Total Reserves		**34,258**	**30,527**

Cashflow Statement

	2022/23 £'000s	2023/24 £'000s
Operating Activities		
Rents	(345)	(394)
Charged for goods and services	(2,328)	(2,306)
Grants and partnership income	(5,584)	(7,414)
National Park grant and levies	(7,139)	(7,222)
Interest received	(159)	(464)
Cash Inflows	**(15,555)**	**(17,801)**
Employment costs	7,838	8,244
Payment for goods and services	4,504	6,433
Other costs	1,172	1,986
Interest paid	17	15
Cash Outflows	**13,531**	**16,678**
Operating Activities Net Cash Flow	**(2,024)**	**(1,124)**
Investing Actvities		
Purchase of property, plant and equipment and intangible assets	790	1,092
Sale of property, plant and equipment and intangible assets	(292)	(386)
Capital Grants	(81)	(524)
	417	**182**
Financing Activities (Note 37)		
Repayment of amounts borrowed	31	33
Net (Increase)/ Decrease in Cash and cash equivalents	**(1,576)**	**(909)**
Cash and cash equivalents at the beginning of the reporting period (Note 15)	6,378	7,954
Net Increase/ (Decrease) in cash and cash equivalents as above	1,576	909
Cash and cash equivalents at the end of the reporting period (Note 15)	**7,954**	**8,863**

Notes to the Accounts

Note 1
Expenditure and Funding Analysis

2022/23				2023/24		
Net expenditure chargeable to the General Fund	**Adjustments between Funding & Accounting Basis**	**Net Expenditure in the CIES**		**Net expenditure chargeable to the General Fund**	**Adjustments between Funding & Accounting Basis**	**Net Expenditure in the CIES**
£'000s	**£'000s**	**£'000s**		**£'000s**	**£'000s**	**£'000s**
641	108	749	Assets & Enterprise	2,306	165	2,471
(1)	26	25	Chief Executive Officer	(55)	51	(4)
1,529	229	1,758	Landscape & Engagement	1,120	55	1,175
1,259	211	1,470	Planning	1,369	(1)	1,368
2,822	269	3,092	Resources	2,970	(50)	2,920
8	6	14	Non Distributed Costs	218	127	345
6,258	**849**	**7,108**	**Net Cost of Services**	**7,928**	**347**	**8,275**
(7,590)	904	(6,686)	Other Income and Expenditure	(7,233)	(864)	(8,097)
(1,332)	1,754	422	(Surplus)/ Deficit	695	(517)	178
(8,014)			Opening General Fund Balance	(9,345)		
(9,346)			Closing General Fund at 31st March	(8,650)		

The objective of the Expenditure and Funding Analysis is to demonstrate to tax and rent payers how the funding available to this Authority (i.e. government grants, rents, etc.) for the year has been used in providing services in comparison with those resources consumed or earned by the Authority in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the Authority's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Note 2 Critical Judgements in applying Accounting Policies & Assumptions made about the future and other major sources of estimation uncertainty

In applying the accounting policies set out in Section 3, the Authority has to make certain judgements about complex transactions or those involving uncertainty about future events, and their potential impact on the amounts recognised in the financial statements. The Authority believes there are no judgements made arising from its application of accounting policies which require disclosure.

The National Park Grant, the principal funding source for the Authority, has now been confirmed for the 2024/25 financial year. The settlement being the same in cash terms as the 2023/24 figure. It has also been confirmed we will receive a supplementary grant of £500K, £250K earmarked for revenue & £250K earmarked for capital. The 2024/25 revenue budget has been approved by the Authority and is a balanced budget; but there remain concerns over the long term financial planning beyond this 2024/25, and what assumptions can be made in forward financial planning. The Authority's current net liability to pay pensions depends on a number of complex judgements, e.g. the discount rate used, the rate of wages' inflation, changes in retirement ages, mortality rates and the return on pension fund assets. These judgements are made by the actuaries engaged by Derbyshire County Council to advise on the Pension Fund, within statutory guidelines. Note 32 contains more information on the assumptions made and the impact on the accounts. The estimated pensions' asset as at 31/03/24 is (£7.855m), and estimates of the (asset)/liability in the last five years have ranged between(£3.287m) and £22.645m. As part of assessing whether the net defined benefit pension surplus on the balance sheet should be recognised in full, the Authority has assessed the level of potential for reduction in future contributions in line with IFRIC 14. An asset ceiling calculation has been completed to assess this level of future contributions against the minimum funding requirement for the scheme. This has resulted in the asset being fully capped with the unfunded liability of £504k. This is recognised as a liability in the balance sheet.

Note 3 Material Items of Income and Expenditure

The Narrative Report helps to explain a number of variances from the previous year where the figures are materially different, but there are no significant items meriting specific disclosure.

Note 4 Events after the Balance Sheet Date

The Chief Finance Officer authorised these Statement of Accounts for issue, with audit materially completed, at 07th February 2025 . Events taking place after this date will not be reflected in the financial statements or notes. Events which have occurred since the Balance Sheet date (31/03/24) and up to the submission of the accounts on the 07th february 2025 have been considered. These events are of two kinds: either "adjusting events" (events arising relating to conditions which existed at the Balance Sheet date which materially affect the amounts included in the accounts) or "non-adjusting events" (events arising relating to conditions which arose after the Balance Sheet which are material, and for which disclosure is required for the purposes of fair presentation). There are no such events to report.

Note 5 Other Comprehensive Expenditure & Income

	2022/23 £'000s	2023/2024 £'000s
(Surplus)/ Decifit arising on revaluation of non-current assets	(1,255)	(213)
Actuarial (gain)/ loss on pensionfund assets and liabilities	(20,079)	3,757
Other - difference		9
	(21,334)	**3,553**

Note 6 Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments made for items included or not included in the Statement of

2023/24	General Fund £'000s	Capital Receipts Reserve £'000s	Unusable Reserves £'000s
Adjustments to Revenue Resources			
Pension costs - removal of accrual of full pension costs as reported on an actuarial basis under IAS 19	(1,288)	0	1,288
Pension costs - replacement by employers actual paid contributions in year	1,262	0	(1,262)
Holiday pay - removal of accrual for holiday pay costs leaving actual pay costs paid in year	32	0	(32)
Reversal of entries in relation to depreciation and impairment of non-current assets	(657)	0	657
Reversal of entries for carrying value of non-current assets as part of gain/ loss on disposal	(147)	0	147
Total Adjustments to Revenue Resources	(797)	0	797
Adjustments between Revenue & Capital Resources			
Transfer of non-current asset sale proceeds to the Capital Receipts Reserve	384	(384)	0
Statutory provision for the repayment of debt	167	0	(167)
Capital expenditure financed from revenue balances	55	0	(55)
Capital expenditure financed from revenue reserves	139	0	(139)
Total Adjustments between Revenue & Capital Resources	744	(384)	(361)
Adjustments to Capital Resources			
Use of the Capital Receipts Reserve to finance capital expenditure	0	518	(518)
Unallocated Capital Grants at Year end	63	(63)	0
Application of capital grants to finance capital expenditure	506	0	(506)
Total Adjustments to Capital Resources	569	455	(1,024)
Total Adjustments	**517**	**71**	**(588)**

Note 6 Adjustments between Accounting Basis & Funding Basis under Regulations Continued

The corresponding comparatives for the previous year are shown as follows:

2022/23	General Fund £'000s	Capital Receipts Reserve £'000s	Unusable Reserves £'000s
Adjustments to Revenue Resources			
Pension costs - removal of accrual of full pension costs as reported on an actuarial basis under IAS 19	3,013	0	(3,013)
Pension costs - replacement by employers actual paid contributions in year	(1,128)	0	1,128
Holiday pay - removal of accrual for holiday pay costs leaving actual pay costs paid in year	(306)	0	306
Reversal of entries in relation to depreciation and impairment of non-current assets	720	0	(720)
Reversal of entries - revaluation gain (loss) on Property, Plant & Equipment	(426)	0	426
Reversal of entries - revenue expenditure funded from	23	(23)	0
Reversal of entries for carrying value of non-current assets as part of gain/ loss on disposal	547	0	(547)
Total Adjustments to Revenue Resources	2,443	(23)	(2,420)
Adjustments between Revenue & Capital Resources			
Transfer of non-current asset sale proceeds to the Capital Receipts Reserve	(292)	292	0
Statutory provision for the repayment of debt	(170)	0	170
Capital expenditure financed from revenue balances	(146)	0	146
Total Adjustments between Revenue & Capital Resources	(608)	292	316
Adjustments to Captial Resources			
Use of the Capital Receipts Reserve to finance capital expenditure	0	(475)	475
Application of capital grants to finance capital	(81)	0	81
Total Adjustments to Capital Resources	(81)	(475)	556
Total Adjustments	**1,754**	**(206)**	**(1,548)**

Note 7 Earmarked Reserves and Transfers to and from the Reserves

This note sets out the amount set aside from, and allocated to, the General Fund in earmarked reserves to provide financing for future expenditure plans. The Authority also administers Restricted Funds made up of donations or bequests, expended according to the wishes of the donor, or funds which have a legal restriction on their use.

Note 7 Earmarked Reserves and Transfers to and from the Reserves

This note sets out the amount set aside from, and allocated to, the General Fund in earmarked reserves to provide financing for future expenditure plans. The Authority also administers Restricted Funds made up of donations or bequests, expended according to the wishes of the donor, or funds which have a legal restriction on their use.

Note 7 Earmarked Reserves and Transfers to and from the Reserves Continued

Earmarked Reserves	Balance at 31st March 2022 £'000s	Transfers Out 2022/23 £'000s	Transfers In 2022/23 £'000s	Balance at 31st March 2023 £'000s	Transfers Out 2023/24 £'000s	Transfers In 2023/24 £'000s	Balance at 31st March 2024 £'000s
Minerals Reserve	(567)	0	0	(567)	0	0	(567)
Restructuring Reserve	(486)	0	(440)	(926)	201	0	(725)
ICT Reserve	(450)	0	(10)	(460)	96	(8)	(372)
Warslow Reserve	(16)	16	0	0	0	0	0
North Lees Reserve	(132)	71	(30)	(91)		(27)	(118)
Minor Properties Reserve	(18)	0	0	(18)	0	0	(18)
Corporate Property	(119)	0	0	(119)	25	0	(94)
Maintenance Reserve	(22)	0	0	(22)	0	0	(22)
Vehicle Reserve	(5)	0	(22)	(27)	0	0	(27)
Woodland Reserve	0		0	0	0	(8)	(8)
Trail Reserve	(647)	42	0	(605)	83	(45)	(567)
Car Park Reserve	(26)	5	0	(21)	0	0	(21)
Cycle Hire Reserve	(50)	11	0	(39)	39	0	0
Covid Reserve	(126)	0	0	(126)	126	0	0
Matched Funding Reserve	(1,184)	336	0	(848)	500	(186)	(534)
Slippage Reserve	(1,174)	1,089	(315)	(400)	315	0	(85)
VAT Reserve	(120)	0	(100)	(220)	0	0	(220)
Operational Effectiveness reserve (renamed Aldern House reserve)	(169)	0	(1,211)	(1,380)	0	(291)	(1,671)
Revenue Grant Reserve	(1,589)	413	(1,148)	(2,324)	2,677	(2,759)	(2,406)
CMPT Reserve	(17)	0	(15)	(32)	0	(24)	(56)
Local Plan Reserve	(110)	0	(19)	(129)	0	0	(129)
Medium term Financial Reserve	0	0	0	0	0	(285)	(285)
Authority Delivery Plan Reserve	(250)	0	0	(250)	33	0	(217)
Total	**(7,277)**	**1,983**	**(3,210)**	**(8,604)**	**4,095**	**(3,633)**	**(8,142)**

Note 7 Earmarked Reserves and Transfers to and from the Reserves Continued

Restricted Funds	Balance at 31st March 2022 £'000s	Transfers Out 2022/23 £'000s	Transfers In 2022/23 £'000s	Balance at 31st March 2023 £'000s	Transfers Out 2023/24 £'000s	Transfers In 2023/24 £'000s	Balance at 31st March 2024 £'000s
Margaret Nicholls Bequest	(3)	0	0	(3)	0	0	(3)
Memorial Landscape Fund	(2)	0	0	(2)	0	0	(2)
Alan Beardsley Fund	(9)	0	0	(9)	0	0	(9)
J Disney Bequest	(56)	0	0	(56)	0	0	(56)
Friends of Losehill Hall	(3)	0	0	(3)	0	0	(3)
Margaret Egan Bequest	(50)	0	0	(50)	0	(14)	(64)
New Bequest - Margaret Vera Longhurst	0	0	(2)	(2)	0	0	(2)
Total Restricted Funds	**(123)**	**0**	**(2)**	**(125)**	**0**	**(14)**	**(139)**
Total Transfers		1,982	(3,212)		4,095	(3,647)	
Net Increase/ (Decrease) in Earmarked Reserves			(1,230)			448	

Note 8 Other Operating (Income) and Expenditure

	2022/23 £'000s	2023/24 £'000s
(Gains) / losses on the diposal of non current assets	254	(237)
	254	**(237)**

Note 9 Financing & Investment (Income) and Expenditure

	2022/23 £'000s	2023/24 £'000s
Interest payable and similar charges	17	15
Pension interest costs and expected return on pension assets	422	(143)
Interest receivable and similar assets	(159)	(464)
	280	**(591)**

Note 10 National Park Grant and capital or other non-specific grant income

	2022/23 £'000s	2023/24 £'000s
National Park Grant (DEFRA)	7,139	6,699
Capital Grants	81	524
Capital Contributions	0	46
	7,220	**7,269**

Note 11 Property, Plant & Equipment – Movements on Balances

The Authority is a major landowner and its principal assets comprise woodlands, tenanted farms, car parks, toilets, cycle hire centres, Visitor Centres and a headquarters building. The Authority's Intangible assets comprise only purchased software. The Authority's network of trails along disused railway lines are regarded as infrastructure assets.

Note 11 Continued

2023/24	Land & Buildings	Vehicles, plant and equipment	Community Assets	Infra-structure Assets	Surplus Assets	Total
Cost or Valuation	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**
Gross book value at 1 April 2023	17,557	3,036	2,595	1,294	171	25,562
Additions	90	101	826	162	0	1,179
Revaluation increases (decreases) recognised in the revaluation reserve	213	0	0	0	0	213
Revaluation increases (decreases) recognised in the surplus/ deficit on the provision of services	(16)	0	0	0	0	(16)
De-recognition: disposals		(142)	(79)	0	0	(221)
Assets re-classified (to) from Held for Sale	0	0	(64)	0	0	(64)
Other movements - accumulated depreciation w/o on revaluation	(68)	0	0	0	0	(68)
Prior year adjustments	17	0	0	0	0	17
Gross book value at 31 March 2024	**17,793**	**2,995**	**3,278**	**1,456**	**171**	**26,602**
Accumulated depreciation/ impairment at 1 April 2023	806	1,929	264		1	3,909
Depreciation charge	372	164	46	54	5	641
Impairment charge	0	0	0		0	0
Depreciation written out to the revaluation reserve	(303)	0	0		0	(303)
Depreciation written out to the surplus/ decifit on the provision of services	235	0	0		0	235
De-recognition - disposals	0	(74)	0		0	(74)
Assets re-classified (to) from Held for Sale						
Prior year adjustments	17	0	0		0	17
Accumulated depreciation/ impairment at 31 March 2024	**1,127**	**2,019**	**310**		**6**	**4,425**
Net book value at 31 March 2023	16,751	1,107	2,331	1,294	170	21,653
Net book value at 31 March 2024	**16,666**	**976**	**2,968**	**1,402**	**165**	**22,177**

Note 11 Continued

2022/23	Land & Buildings	Vehicles, Plant & Equipment	Community Assets	Infra-structure Assets	Surplus Assets	Total
Cost or Valuation	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**
Gross book value at 1 April 2022	17,139	3,426	2,350	1,184	72	25,025
Additions	151	199	245	165	15	775
Revaluation increases (decreases) recognised in the revaluation reserve	1,166	0	0	0	89	1,255
Revaluation increases (decreases) recognised in the surplus/ deficit on the	426	0	0	0	0	426
De-recognition: disposals	(17)	(589)	0	0	0	(606)
Other movements - accumulated depreciation w/o on revaluation	(375)	0	0	0	(10)	(385)
Prior year adjustments	(933)	0	0	0	5	(928)
Gross book value at 31 March 2023	**17,557**	**3,036**	**2,595**	**1,349**	**171**	**25,562**
Accumulated depreciation and impairment at 1 April 2022	1,679	2,289	223		4	5,049
Depreciation charge	336	187	41	55	2	621
Impairment charge	99	0	0		0	99
Depreciation written out to the revaluation reservse	(136)	0	0		(1)	(137)
Depreciation written out to the surplus/ decifit on the provision of services	(239)	0	0		(9)	(248)
De-recognition - disposals	0	(547)	0		0	(547)
Prior year adjustments	(933)	0	0		5	(928)
Accumulated depreciation and impairment at 31 March 2023	**806**	**1,929**	**264**		**1**	**3,909**
Net book value at 31 March 2022	15,460	1,137	2,127	1,184	68	19,976
Net book value at 31 March 2023	**16,751**	**1,107**	**2,331**	**1,294**	**170**	**21,653**

Effects of Changes in Estimates

There are no material effects arising from changes in accounting estimates for residual values, useful lives or depreciation methods.

Revaluations

The Authority's property shown in the Land & Buildings column has been valued as at 31st March 2024 by the District Valuer. The valuations are in accordance with the CIPFA Code of Practice and the relevant sections of the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual. The Authority values these assets over a five-year rolling programme, concentrating this year on land and buildings that had not formed part of the previous four years revaluations..

Impairments

There were no impairments this year.

Infrastructure Statutory Override

In accordance with the temporary relief offered by the Update to the Code on Infrastructure Assets, this note does not include disclosure of gross cost and accumulated depreciation for Infrastructure Assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements. The Council has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to Infrastructure Assets.

The Council has determined in accordance with Regulation 30M of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for Infrastructure Assets when there is replacement expenditure is nil.

Note 12 Intangible Assets

The Authority accounts for its software as intangible assets, at their historic purchase cost. The Authority does not capitalise internally generated assets. All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Authority. The useful life in all cases is 5 years unless a shorter asset life is more appropriate. The carrying amount of intangible assets is amortised on a reducing balance basis. The amortisation charge forms part of the charge to the Information Technology Support Service and is then absorbed as an overhead across all the service headings in the Net Expenditure of Services. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading.

	2022/23 £'000s	**2023/24 £'000s**
Gross carrying amount at start of year	816	0
Additions	0	28
Disposals	(816)	0
Gross carrying amount at end of year	**0**	**28**
Accumulated amortisation at start of year	641	0
Amortisation for the year	0	0
De-recognition: Disposals	(641)	0
Accumulated amortisation at end of year	**0**	**0**
Net carrying amount at start of year	175	0
Net carrying amount at end of year	**0**	**28**

There are no intangible assets which are material to the financial statements requiring individual disclosure in this note. There are no contractual commitments for the acquisition of intangible assets which require individual disclosure in this note.

Note 13 Inventories

There is no work in progress. Stocks of publications and other items for resale are:

	2022/23 £'000s	**2023/24 £'000s**
Opening stock	211	208
Purchases	275	310
Recognised as an expense in the year	(273)	(285)
Written off balances/ Reversal of write offs in previous years	(5)	(13)
Short Term Cycle Hire Assets		2
Closing stock	**208**	**222**

Note 14 Debtors

Debtors can be analysed as follows:

	31-Mar-23 £'000s	31-Mar-24 £'000s
Central Government Bodies	1,196	1,060
Other Local Authorities	14	121
Public Coporations and Trading Funds		0
Bodies external to general government	2,139	2,605
Less: Expected Credit Loss	(30)	(23)
	3,319	**3,763**

Note 15 Cash and Cash Equivalents

Cash and bank can be anlysed as follows:

	31-Mar-23 £'000s	31-Mar-24 £'000s
Bank current accounts	494	(296)
Cash held by the Authority	2	2
Deposits with North Yorkshire County Council	7,458	9,157
	7,954	**8,863**

The above bank figures represent the value of the bank accounts on the accounting system. The bank statements show a different amount owing to timing differences, which are reconciled in the bank reconciliation process. At the end of each working day a transfer is made to and from the investment account, ensuring the bank accounts overall remain in credit by a small amount. The investment account represents deposits invested with North Yorkshire County Council on which interest is received. The amounts are invested daily, with surplus funds from the Authority’s pooled bank accounts being transferred and invested in accordance with the Authority’s Treasury Management Policy, leaving a small surplus balance in current accounts. The Authority’s Short Term investments are all cash resources.

Note 16 Assets Held for Sale

An analysis of the assets held for sale category within current assets is shown below:

	31-Mar-23 £'000s	31-Mar-24 £'000s
Balance outstanding at start of the year	300	0
Property, plant and equipment newly identified	13	75
Revaluation (losses)/ gains	0	0
Impairment losses	0	0
Assets sold	(313)	0
Balance outstanding at the end of the year	**0**	**75**

Note 17 Creditors due within 12 months

Creditors can be analysed as follows:

	31-Mar-23 £'000s	31-Mar-24 £'000s
Central Government Bodies	133	1,102
Other Local Authorities	27	29
Public Corporations and Trading Funds	0	
Bodies external to general government	1,493	2,521
	1,653	**3,652**

Note 18 Provisions and Contingent Liabilities

There are no provisions or contingent liabilities. The Authority considers that it has made sufficient financial arrangements to cover estimates of potential liabilities which may arise not covered by the accounting definition. Financing for these potential liabilities is achieved within the usable earmarked reserves (Note 7).

Note 19 - Useable Reserves: Capital Receipts Reserve

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement and Note 7. The Capital Receipts Reserve, built up from the proceeds of the sale of fixed assets and available for use to finance capital expenditure, is as follows:

	31-Mar-23 £'000s	31-Mar-24 £'000s
Balance at 1st April	(1,598)	(1,392)
Receipts received in the year	(292)	(384)
Receipts allocated to Capital Expenditure	498	518
Capital grants unallocated		(63)
Balance at 31st March	**(1,392)**	**(1,321)**

Note 20 Unusable Reserves

The Authority's unusable reserves are shown in full in the Balance Sheet.

The Revaluation Reserve records the accumulated gains on the Property, Plant & Equipment assets held by the Authority arising from increases in value, as a result of inflation or other factors, less any subsequent downward movements in value – impairments and/or depreciation. The balance on the reserve therefore represents the amount by which the current value of fixed assets carried in the Balance Sheet has been revalued above their depreciated historic cost. It is the Authority's policy to revalue 20% of total assets each year as a rolling programme over a five-year period and the account includes these changes, together with any written down value of assets which have been disposed of in the year.

	31-Mar-23 £'000s	31-Mar-24 £'000s
Revaluation Reserve		
Balance at start of the year	8,413	9,476
Upward revaluation of assets	1,255	273
Downward revaluation of assets		(59)
Surplus/ Deficit on revaluation of non-current assets not	9,668	9,690
Accumulated gains on assets disposed of	(17)	
Difference between fair value depreciation and historical cost	(175)	(205)
Amounts written off to the Capital Adjustment Account	(192)	(205)
Balance at the end of the year	**9,476**	**9,485**

Note 20 Unusable Reserves Continued

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements on the one hand, for accounting for the consumption of non-current assets, and on the other hand, for the financing of the acquisition, construction or enhancement of those assets as required by statute. The Capital Adjustment Account is credited with the amount of capital expenditure financed from revenue, capital receipts and capital grants, together with the Minimum Revenue provision (the amount charged to the Income and Expenditure account to ensure that an appropriate level of financing is set aside for the repayment of the principal element of any borrowing outstanding). As assets are consumed, either by depreciation, impairment or disposal, the charge is made to this account as a debit.

Capital Adjustment Account	**31-Mar-23 £'000s**	**31-Mar-24 £'000s**
Balance at 1 April	(10,712)	(10,936)
Reversal of items relating to capital expenditure debited or		
Charges for depreciation & impairment of non-current assets	621	641
Revenue expenditure funded from capital under statute (REFCUS)	24	0
Revaluation gains/(losses) on Property, Plant & Equipment	(327)	16
Amortisation of intangible assets	0	0
Amount of non-current assets written off on disposal as part of the gain/loss on disposal to the CIES	546	147
	864	803
Adjusting amounts written out of the Revaluation Reserve	(192)	(205)
Net written out amount of the cost of non-current assets consumed in the year	**672**	**599**
Capital financing applied in the year		
Use of the Capital Receipts Reserve to finance new capital	(498)	(517)
Capital grants and contributions credited to the CIES that have been applied to capital financing	(81)	(506)
Statutory provision for the financing of capital investment	(170)	(167)
Capital expenditure charged against the General Fund	(147)	(55)
Capital expenditure from Revenue Reserves		(139)
Total Capital Financing applied in the year	**(896)**	**(1,384)**
Balance at the end of the year	**(10,936)**	**(11,722)**

Note 20 Unusable Reserves Continued

The Pensions’ Reserve absorbs the timing differences arising from the different arrangements, on the one hand for post-employment benefits, and on the other hand, for funding benefits in accordance with statute. The Authority accounts for post employment benefits in the Comprehensive Income & Expenditure Statement as the benefits are earned by employees accruing years of service, with the liabilities recognised updated to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. Statutory arrangements however require benefits to be financed at the rate the Authority makes employer’s contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions’ Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	31-Mar-23 £'000s	31-Mar-24 £'000s
Pensions Reserve		
Balance at the start of the year	(14,907)	3,287
Actuarial gains or (losses) on pension assets and liabilities	20,079	(3,757)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CEIS	(3,013)	(1,288)
Employers' pension contributions and direct payments to pensioners payable in the year	1,128	1,254
Balance at the end of the year	**3,287**	**(504)**

The Accumulated Absences Reserve 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 31st March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	31-Mar-23 £'000s	31-Mar-24 £'000s
Accumulated Absences Reserve		
Balance at the start of the year	(484)	(178)
Settlement or cancellation of accrual made at the end of the preceding year	484	178
Amounts accrued at the end of the current year	(178)	(147)
Amounts by which officer remuneration charged ti the CIES on an accruals basis is different from renumeration chargeable on a salary basis in accordance with statutory requirements	306	31
Balance at the end of the year	**(178)**	**(147)**

Note 21 Note to the Expenditure and Funding Analysis

Adjustments from the General Fund to arrive at the Expenditure and Funding Analsis Amounts

	2022/23				2023/24			
	Adjustments for Capital Purposes (Footnote 1) £'000s	Net change for the Pension Adjustments (Footnote 2) £'000s	Other Differences (Footnote 3) £'000s	Total Adjustments £'000s	Adjustments for Capital Purposes (Footnote 1) £'000s	Net change for the Pension Adjustments (Footnote 2) £'000s	Other Differences (Footnote 3) £'000s	Total Adjustments £'000s
Assets & Enterprise	(252)	464	(104)	108	168	12	(15)	165
Chief Executive Officer	(2)	36	(8)	26	53	1	(3)	51
Landscape & Engagement	(32)	321	(60)	229	44	10	1	55
Planning	0	270	(59)	211	0	7	(8)	(1)
Resources	(21)	367	(76)	269	(55)	11	(6)	(50)
Non-distributed Costs	0	6	0	6	0	127	0	127
Net cost of Services	**(308)**	**1,463**	**(306)**	**850**	**210**	**168**	**(31)**	**347**
Other Income & Expenditure:	482	422		904	(721)	(143)		(864)
Surplus/Deficit and Comprehensive	**174**	**1,885**	**(306)**	**1,754**	**(511)**	**25**	**(31)**	**(517)**

Note 21 Note to the Expenditure and Funding Analysis Continued

Footnote 1

Adjustments for Capital purposes: for the Net Cost of Services, this column adds in depreciation and impairment, and any revaluation gains and losses chargeable to the CIES. In respect of Other Income & Expenditure, this comprises adjustments not allowable under generally accepted accounting principles, either operating expenditure (See Note 8) – an adjustment for the gain or loss on the disposal of a non-current asset compared to its net book value; or a fair value adjustment; Financing & investment (see Note 9) – deductions for the statutory charges for capital financing (minimum revenue provision and other revenue contributions); and Taxation and non-specific grant income – the removal of capital grants.

Footnote 2

Adjustments for the removal of employers' pension cash contributions and the addition of employee benefit pensions' related expenditure and income: for the Net Cost of Services, this column removes the employer pension cash contributions made by the Authority as required by statute, and replaces with a current and past service cost figure assessed by the actuary. In respect of Other Income & Expenditure, this comprises the net interest cost of the defined benefit liability.

Footnote 3

Other differences, in this case the adjustment reflecting the difference between staff salaries paid in cash during the year, and the adjustment required to reflect unused leave and flexi-hours carried forward by staff.

Expenditure and Income analysed by Nature

	2022/23 £'000s	2023/24 £'000s
Expenditure		
Employee expenses	8,995	8,380
Other services expenses	6,216	9,559
Capital accounting transactions	123	474
Interest Payments	439	(127)
Loss on the disposal of fixed assets	255	0
Total Expenditure	**16,028**	**18,286**
Income		
Fees, charges and other service income	(2,384)	(2,591)
Grants & Contributions	(2,748)	(3,941)
Government grants	(10,244)	(10,678)
Donations	(70)	(197)
Interest & Investment Income	(159)	(464)
Gain on the disposal of fixed assets	0	(237)
Total Income	**(15,605)**	**(18,108)**
Surplus/Deficit on the Provision of Services	**423**	**178**

Note 22 Acquired and Discontinued Operations

There were no acquisitions or discontinuation of operations during the year.

Note 23 Members' Allowances

The following amounts were paid to the 32 Members of the Peak District National Park Authority as allowances in the year ended 31st March 2024.

	2022/23 £'000s	2023/24 £'000s
Basic Allowance	72	82
Special Responsibility Allowance	23	22
Travel and subsistence	5	5
	100	**109**

Further information on Members' Allowances and payments to individual Members is published annually on our website, or can be obtained upon request from the Democratic and Legal Support Team, Aldern House, Baslow Rd, Bakewell, DE45 1AE (Telephone 01629 816200).

Note 24 Employee Remuneration

The number of employees whose remuneration in the year, excluding employer pension contributions, was £50,000 or more in bands of £5,000 were as follows:

	Number of Employees	
Payment Range	**2022-23**	**2023-24**
£60,000 - £64,999	0	2
£64,999 - £69,999	0	2
£70,000 - £74,999	1	0
£75,000 - £79,999	0	0
£80,000 - £84,999	0	0
£85,000 - £89,999	0	0
£90,000 - £94,999	0	0
£95,000 - £99,999	0	1
£100,000 - £104,999	0	0
£105,000 - £109,999	0	0

Note 24 Employee Remuneration Continued

2023/24 Remuneration for senior employees

Job Title	Salary	Benefits in Kind	Subtotal	Employers Pension contributions	Total Remuneration
Chief Executive	£97,145	£0	**£97,145**	£18,263	**£115,408**
Interim Head of Resources	£57,751	£0	**£57,751**	£10,854	**£68,605**
Head of Planning **3*	£55,831	£0	**£55,831**	£10,496	**£66,327**
Head of Landscape	£52,879	£0	**£52,879**	£9,941	**£62,820**
Interim Head of Asset Management **3*	£51,227	£0	**£51,227**	£9,631	**£60,858**
Finance Manager *4	£46,565	£0	**£46,565**	£8,760	**£55,325**

2022/23 Remuneration for senior employees

Job Title	Salary	Benefits in Kind	Subtotal	Employers Pension Contributions	Total Remuneratio n
Chief Executive *1	52,784	0	52,784	10,330	63,114
Head of Legal & Interim Chief Executive	74,454	0	74,454	14,570	89,024
Head of Finance	54,401	0	54,401	10,646	65,047
Interim Head of Resources	51436	0	51,436	10,063	61,499
Head of Landscape	50,140	0	50,140	9,812	59,952

Note 1: Employment started 5th September 2022

Note 2: Interim Chief Executive 1st April to 4th September 2022

Note 3: No previous years comparison as under £50,000

Note 4: Finance Manager figures included in the table are for the period April 2023 to January 2024, the annualised salary is £49,498. Interim Finance Manager was in position for period January 2024 to March 2024, the annualised contractor fee is £187,500. New Finance Manager was in the position for the period March 2024, the annualised salary is £59,716.

Note 24 Employee Remuneration Continued

During the year decisions relating to the termination of contracts of staff were as follows:

2023/24	Exit package cost band	Number of compulosry redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total cost of exit packages in each band £
	£0 - £20,000	3	0	3	23,351
	£20,001 - £40,000	1	0	1	28,657
	£40,001 - £60,000	0	0	0	0
	£60,001 - £80,000	0	0	0	0
	Total	**4**	**0**	**4**	52,008

2022/23	Exit package cost band	Number of compulosry redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total cost of exit packages in each band £
	£0 - £20,000	0	3	3	17,053
	£20,001 - £40,000	0	0	0	0
	£40,001 - £60,000	0	0	0	0
	£60,001 - £80,000	0	0	0	0
	Total	**0**	**3**	**3**	**17,053**

All voluntary termination of contracts were based on the Authority's Managing Change policy. All payments were calculated according to the statutory requirement with no enhancements.

Note 26 Grant Income

The Authority credited the following grants, contributions and donated assets to the Comprehensive Income & Expenditure Statement in 2023/24, with amounts over £10,000 only shown:-

2022-23		2023-24
£		£
	Revenue Grants Credited to Services	
1,541,436	DEFRA – Environmental Stewardships / Moors for the Future Projects/FiPL	2,184,993
810,997	Environment Agency – Moors for the Future / MoorLIFE Project	166,697
37,582	Natural England - Pennine Way Ranger	44,715
73,936	Natural England/DEFRA – Swallowmoss Rewetting Projects, Warslow Moors	74,850
480,207	Natural England – Moors for the Future / MoorLIFE work	1,410,589
43,410	Peak District National Park Foundation – Conservation & Engagement Projects	167,837
76,040	Heritage Lottery Fund – South West Peak Project	-
30,706	RSPB - Moors for the Future / MoorLIFE work	38,161
20,000	Derbys County Council – Rights of Way	20,000
67,545	Calderdale Council – Moors for the Future work	-
36,194	Other National Parks – Generation Green Project	-
23,000	Tarmac Ltd – Conservation Volunteers Project	23,000
-	BMW – Peaks of Health Project	65,000
61,200	The Woodland Trust – Woodland Creation Projects	54,875
	The Woodland Trust – STW Himalayan Balsam Project	10,356
24,693	The Woodland Trust – Moors for the Future Work	-
10,250	Friends of the Trans Pennine Trail – Longdendale Landscape Project	-
-	Blackstone Edge & Butterworth Commoners Assoc – MFF Project	64,836

174,000	Esme Fairburn Foundation – Moors for the Future work	130,000
91,913	United Utilities – Joint Ranger Costs	102,494
-	United Utilities – Moors for the Future / MoorLIFE Project	125,252
59,561	Severn Trent Water - Joint Ranger Costs	67,446
201,689	Severn Trent Water – MFF/MoorLIFE Project	612,396
50,000	Severn Trent Water – Car Park	50,000
11,134	Severn Trent Water - Operating Costs at Upper Derwent Visitor Centre	13,849
17,266	Yorkshire Water - Joint Ranger Costs	-
1,396,932	Yorkshire Water - Moors for the Future / MoorLIFE Project	2,084,111
70,000	BMC - Moors for the Future / MoorLIFE Project	-
20,000	Worley Foundation - Moors for the Future	-
-	Nestle – Moors for the Future Project	287,087
-	Rebel Restoration - Moors for the Future Project	33,500
16,508	Alan Turing Network - Internship	-
15,423	MOSAIC – Championing National Parks Project	18,401
13,096	National Trust – Moorland Discovery Project	10,322
257,614	European Life Funding – MoorLIFE Project	921,392
32,718	OFGEM – Aldern House / Other Biomass Boilers	33,050
28,133	Other Revenue Grants each under £10,000	47,089
5,793,183	**Total**	**8,862,298**

The Authority may receive a number of grants, contributions and donations that are not yet recognised as income as they might have conditions attached to them that will require the monies or property to be returned to the giver. The items at year end are:

2022-23 £		2023-24 £
	Grants Received in Advance	
0	**Total**	**0**
0	Donated Assets Account	0
0	**Total**	**0**

Note 26 External Audit Cost

Fees paid to Mazars LLP for audit services were as follows

	2022/23 £'000s	2023/24 £'000s
External audit services as appointed auditor	20	45
	20	**45**

Note 27 Related Parties

The Authority is required to disclose any material transactions with related parties that are not disclosed elsewhere in the accounts. The UK government, operating through the Department for the Environment, Food and Rural Affairs (Defra) and the Department for Levelling Up, Housing and Communities (DLUHC), has significant influence over the general operations of the Authority and is responsible for providing the statutory framework within which the Authority operates, provides the majority of funding in the form of grants, and prescribes the terms of many of the transactions that the Authority has with other parties.

The Authority engages in a variety of formal and informal partnerships, and may contribute to those organisations financially to help further National Park purposes. It does not have control of those bodies. The Authority is a Member of National Parks Partnerships LLP, a body constituted to further the sponsorship ambitions of National Parks, and the Chair of the Authority is the Member representative. The Chair of the Authority is also a Director of National Parks England Ltd, which is a company limited by guarantee furthering the interests of the English National Parks; the Authority has joint ownership with the other National Parks of this company. Three Authority Members are Trustees of the Peak District Foundation charity, which is an independent registered charity with the principal aim being to raise funds for the Peak District National Park. The Authority has no other involvement with related parties with joint control or significant influence, subsidiaries, associates, or joint ventures.

All Members and Chief Officers of the Authority are deemed to be key management personnel and are required to disclose any financial transactions with the Authority. These exclude those received as part of normal conditions of employment or approved duties. Any qualifying financial transactions must be disclosed in the Members' Register of Financial and Other Interests which is open to public inspection. During the course of the 2023/24-year Cllr V Priestley disclosed her voluntary Chairman role on the board of Marsh Farm Development Ltd which was a recipient of a Farming in Protected Landscapes grant to the value of £49,062. Cllr Y Witter disclosed her role as Chair of the MOSAIC project which received a grant during the 2023/24-year of £5,000 for the Championing National Parks Project.

This disclosure note also applies to the involvement of Officers and Members with entities which they may have significant influence over. In summary, during the normal course of business, the following transactions were made between the Authority and other related parties:

Note 27 Related Party Transactions

Local Authorities	Income £	Outstanding £	Expenditure £	Outstanding £	NNDR £
Bamford with Thornhill PC	462	0			
Barnsley Met Borough Council	2,537	0	2,817	0	3,406
Cheshire East Council	576	173	50	0	
Derbyshire County Council	21,506	1,506	90,146	11,047	
Derbys Dales District Council	8,024	2,777	4,570	0	69,300
Gt Manchester Combined Auth	4,900	4,900			
High Peak Borough Council	766	158	1,122	0	24,530
Kirklees Council	24	0			
Sheffield City Council	434	375	6,977	2,447	1,100
Staffs County Council	6,000	6,000			
Staffs Moorlands District Council	1,381	593	2,408	0	14,627
Taddington & Priestcliffe Parish Council			4,440	0	
Youlgrave Parish Council			147	147	
Charities & Other					
Council for British Archaeology			103	0	
Derbyshire Archaeological Society			65	0	
Derbyshire Assoc of Local Councils	280	0			
Derbyshire Wildlife Trust	16,846	13,808	434	0	
Hadfield Infant School	336	336			
Hope Valley Climate Action			18,410	7,499	
Marsh Farm Development Ltd			49,062	8,781	
National Parks England	26,500	0			
National Parks Parts LLP	139,702	10,000	10,000	0	
Peak District MOSAIC	200	0	5,000	0	
Peak District NP Foundation	405,337	0	130,000	0	
Total	**635,811**	**40,626**	**325,751**	**29,921**	**112,963**

Note 28 - Capital Expenditure

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

	2022/23 £'000s	2023/24 £'000s
Opening Capital Financing Requirement	1,326	1,242
Capital Investment		
Land & Buildings	179	90
Vehicles, Plant & Equipment	198	102
Community Assets (Warslow Moors)	245	826
Infrastructure Assets (Trails)	165	162
Intangible Assets	0	28
Assets Held for Sale	0	10
Revenue Expenditure Funded from Capital Under Statute	24	0
Total Capital Investment	**811**	**1,217**
Sources of Finance		
Capital Receipts	(498)	(517)
Government Grants and Other Contributions	(81)	(506)
Sums set aside from Revenue		
Direct Revenue Contributions	(146)	(139)
Minimum Revenue Provision for repayment of principal	(170)	(167)
Prior Year Rounding Error		(2)
Closing Capital Financing Requirement	**1,242**	**1,128**
Explanation of Movement in year		
Expenditure not supported by goverment financial assistance	85	55
Minimum Revenue Provision	(170)	(167)
Increase/ (Decrease) in Capital Financing Requirement	**(85)**	**(112)**

Note 29 Statement of Capital Charges charged to Revenue

The following statement shows the amount of capital charges calculated and charged to services, comprising depreciation, upwards and or downwards revaluation and/or impairment of the Authority's fixed assets.

	2022/23 £'000s	2023/24 £'000s
Assets & Enterprise		
Aldern House	53	58
Cycle Hire	57	44
CMP Team	8	10
Concessions	1	1
Minor Properties	4	5
North Lees Estate	57	75
Car Parks	109	122
Trails	72	70
Corporate Property Team	4	4
Toilets	31	30
Visitor Centres	-408	31
Warslow Moors Estate	50	62
Forestry & Woodlands	102	3
Moors for Future Team	40	38
	180	553
Landscape & Engagement		
Engagement Team	3	3
Countryside Volunteers	16	21
Rangers Team	3	5
Pennine Way	2	2
Rangers Specialist Vehicles	1	1
Rangers Vehicle Fleet	29	24
	54	56
Planning	0	0
Resources		
Information Management	54	43
Vehicles	6	5
	60	48
	294	**657**

Note 30 Leases

Authority as Lessee

Finance Leases

The Authority does not have any finance leases. As such the liability for future rentals, or any asset value, is not shown in the balance sheet.

Operating Leases

Vehicles

The fleet management policy was unchanged during 2023/24 and again had no vehicle leases in operation. Six vehicles were sold during the year and no new vehicles were purchased.

Equipment

The Authority utilities a dedicated private cloud solution to deliver core ICT infrastructure (this includes servers and storage). The infrastructure as a Service contract expires December 2026.

Property

The revenue charge reports the total lease payments made in year (including arrears payments where specified).

During the year ended 31st March 2024 the Authority made the following payments for operating leases charged to revenue:

	2022/23 £'000s	2023/24 £'000s
Equipment	121	137
Land & Buildings	72	76
	193	**213**

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

	2022/23 £'000s	2023/24 £'000s
Not later than one year	212	215
Later than one year and not later than five years	661	477
Later than five years	17	21
	890	**713**

Note 30 Leases Continued

Authority as Lessor

Finance Leases

The Authority has not issued any finance leases.

Operating Leases

The Authority leases out property under operating leases primarily for the following purposes:

- For the provision of Farm Business Tenancies on Authority owned land and Agricultural Grazing of
- The lease of office accommodation to private businesses
- The provision of local market rents on the Warslow Estate
- The lease of the Eastern Moors to the EM Partnership for moor management and sustainability
- Leases for use by private refreshment businesses

The Authority collected the following rents in 2023/24 from its assets as lessor:

	2022/23 £'000s	**2023/24 £'000s**
General Rents	20	35
Agricultural Rents	105	106
Residential Rents	122	117
Business Rents	76	108
Agricultutral Licences	16	16
Business Licences	6	14
Eastern Moors Lease	28	29
Refreshment Concession	177	179
	550	**604**

The table below shows in aggregate the future minimum lease payments receivable for non-cancellable leases in future years. Residential rents and agricultural licences have been excluded from these disclosures because they do not fit a non-cancellable operating lease as defined in the Code of Practice on Local Authority Accounting.

As last year the projected lease income excludes possible changes to the property portfolio as per the asset management strategy, nor does it include any changes expected from any new initiatives under the Authority’s commercial strategy.

The year on year increases have been retained and calculated according to expected returns as advised by the Authority’s Property Service. There have been no changes to the method of calculation.

Note 30 Leases Continued

	2022/23 £'000s	2023/24 £'000s
Not later than one year	214	248
Later than one year and not later than five years	907	1,042
Later than five years	241	274
	1,362	**1,564**

Note 31 Heritage Asets

Heritage assets are assets with historical, artistic, scientific, technological, geophysical or environmental qualities which are held and maintained principally for their contribution to knowledge and culture. The accounting standard (FRS 30) has been introduced in order to move these assets onto a valuation basis on the Balance Sheet, rather than as currently, a historic cost basis; the predominant reason for the introduction of the change is to ensure that items held within Local Authority museum and gallery collections are properly reflected in valuation terms on the Balance Sheet. The standard also allows a Local Authority to move other Community Assets, which are currently accounted for on the same historic cost basis, onto a valuation basis. Notwithstanding its historical or other heritage qualities, any asset used by an organisation in its operations is still required to be accounted for as an operational asset, and not as a heritage asset; it is therefore accounted for as set out in the Summary of Accounting policies note paragraph 14.

Whilst some of the Authority’s properties may contain historical, geophysical or environmental qualities which could meet some of the criteria relating to heritage assets, it is considered that they are owned primarily to achieve the Authority’s operational purposes (the conservation and enhancement of the natural environment and cultural heritage) and these assets are accounted for as operational assets and valued and depreciated accordingly. Where the assets meet the definition of Community Assets they remain within this asset category. The Authority therefore is not recognising any of its assets within the Heritage asset category. The Authority’s Community assets are property holdings - predominantly the Warslow Moors Estate – and the Authority does not intend to take the option of valuing these assets and they are expected to remain within the Balance Sheet at their historic cost.

Note 32 Defined Benefit Pension Scheme

All entries made in the Comprehensive Income & Expenditure Account and Balance Sheet relating to pensions are shown together in this note. As part of the terms and conditions of employment the Authority offers retirement benefits. Although these benefits will not actually be payable until the employees retire, the Authority has a commitment to make these payments, which needs to be disclosed at the time that the employees earn this entitlement. The Authority operates only one pension scheme, the Local Government Pension Scheme administered by Derbyshire County Council; this is a funded scheme, with the Authority and employees paying contributions calculated at a level intended to balance the pensions' liabilities with investment assets. The principal risks to the Authority of the scheme are the longevity assumptions of members, statutory or structural changes to the scheme, changes to inflation, bond yields (used to measure the value of future liabilities) and the performance of investments (predominantly equity based).

As part of assessing whether the net defined benefit pension surplus on the balance sheet should be recognised in full, the Authority has assessed the level of potential for reduction in future contributions in line with IFRIC 14. An asset ceiling calculation has been completed to assess this level of future contributions against the minimum funding requirement for the scheme. This has resulted in the asset being fully capped with the unfunded liability of £504k. This is recognised as a liability in the balance sheet.

Comprehensive Income and Expenditure Account

The cost of retirement benefits is recognised in the Total Cost of Services when they are earned by employees, rather than when the Authority makes its statutory payments to the Pension Fund, which are determined by the Scheme's Actuary. The charge which needs to be accounted for against government grant is the actual cash paid to the Pension Fund during the year, so the real cost of retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the CIES and the General Fund Balance via the Movement in Reserves Statement during the year:

Note 32 Defined Benefit Pension Scheme Continued

		2022/23 £'000s	2023/24 £'000s
Cost of Services			
Current Service Cost		2,585	1,304
Past Service Cost		6	127
		2,591	1,431
Financing & Investment Income & Expenditure			
Net interest expense	Note 9	422	(143)
Total chargeable to Surplus/Deficit on the Provision of Services		3,013	1,288
Other amount chargeable to the CIES (Re-measurement of plan liabilities)	Note 5		
Return on plan assets excluding amount included in net interest expense above		(3,680)	2,909
Actuarial (gains)/losses arising on changes in demographic assumptions		674	394
Actuarial (gains)/losses arising on changes in financial assumptions		30,057	(5,162)
Other experience		(6,972)	(1,898)
Total re-measurements		20,079	(3,757)
Total Charged to the Comprehensive Income		**20,079**	**(3,757)**
Movement in Reserves Statement			
Reversal of net charges made to the Surplus/ Deficit for the Provision of Services		(3,013)	(1,288)
Employers' Contributions Payable			
Actual amount charged against the General Fund balance for pensions in the year		1,128	1,263

Balance Sheet

The underlying assets and liabilities for retirement benefits attributable to the Authority as at 31st March 2024 are as follows:

	2019/20	2020/21	2021/22	2022/23	2023/24
Estimated liabilities in scheme	(65,336)	(84,547)	(81,355)	(60,667)	(61,174)
Estimated assets in scheme	51,529	61,902	66,448	63,954	60,670
Net Asset (Liability)	(13,807)	(22,645)	(14,907)	3,287	(504)
% Funded	79%	73%	82%	105%	99%

Note32 Defined Benefit Pension Scheme Continued

Defined Benefit Pension Scheme is a long-term commitment that requires careful management and regular monitoring. The net assets of the scheme represent the difference between the scheme's assets (investments made with the contributions) and its liabilities (the present value of the future pension payments we expect to make). The Defined benefit pension scheme show the underlying commitments that the Authority has in the long-run to pay retirement benefits. We have again closed 2023/24 in a healthy position, showing an asset of £7.9m (this is versus an asset of £3.3m in FY22/23). An asset ceiling calculation has been completed to assess this level of future contributions against the minimum funding requirement for the scheme. This has resulted in the asset being fully capped with the unfunded liability of £504k. Liabilities are assed on the actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years, dependant on the assumptions about mortality rates, salary levels etc

Analysis of Present Value of Scheme Liabilities	**£'000s**
Opening balance 1st April 2023	60,667
Current service cost	1,304
Past service cost	127
Interest cost	2,870
Contributions from scheme participants	365
Re-measurement (gains) and losses	
- changes in demographic assumptions	(394)
- changes in financial assumptions	(3,386)
- other	1,898
Past service gain	
Curtailment (gains)/ losses	
Benefits paid	(2,277)
Closing balance 31st March 2024	61,174

Analysis of Present Value of Scheme Assets	**£'000s**
Opening balance 1st April 2023	
Opening balance adjustment	63,765
Interest income	3,013
Re-measurement gain (loss)	
Return on plan assets excluding amount in net interest expense charged to CIES	2,909
Other	
Contributions from employer	1,206
Contributions from employees into the scheme	365
Benefits paid	(2,229)
Closing fair value 31st March 2024	69,029

Note 32 Defined Benefit Pension Scheme Continued

Analysis of Pension Fund Assets

Asset Category	Period ended 31st March 2023				Period ended 31st March 2024			
	Quoted in active markets	Not quoted in active markets	Total	% of total assets	Quoted in active markets	Not quoted in active markets	Total	% of total assets
	£'000s	£'000s	£'000s		£'000s	£'000s	£'000s	
Equity Securities:								
Consumer	139	0	139	0.2%				0.0%
Manufacturing	112	0	112	0.2%		0	0	0.0%
Energy/ utilities	62	0	62	0.1%		0	0	0.0%
Financial institutions	70	0	70	0.1%		0	0	0.0%
Health & Care	122	0	122	0.2%		0	0	0.0%
Information	127	0	127	0.2%		0	0	0.0%
Other	1,876	0	1,876	2.9%	1,894	0	1,894	2.7%
Debt Securities:								
Corporate Bonds	3,614	4,492	8,106	12.7%	4,020	5,179	9,199	13.3%
Corporate bonds		0	0	0.0%			0	0.0%
UK Government	4,832	0	4,832	7.6%	5,979		5,979	8.7%
Other	1,117	0	1,117	1.8%	994		994	1.4%
Private Equity:								
All	1,077	2,128	3,206	5.0%	1,187	2,383	3,570	5.2%
Real Estate:								
UK Property	224	4,856	5,080	8.0%	187	4,818	5,005	7.3%
Overseas Property	0	0	0	0.0%	0	0	0	0.0%
Investment Funds &								
Equities	10,891	18,821	29,712	46.6%	12,339	20,638	32,977	47.8%
Bonds	0	0	0	0.0%	0	0	0	0.0%
Hedge Funds	0	0	0	0.0%	0	0	0	0.0%
Commodities	0	0	0	0.0%	0	0	0	0.0%
Infrastructure	1,344	5,554	6,897	10.8%	1,233	6,119	7,352	10.7%
Other	0	0	0	0.0%	0	0	0	0.0%
Derivatives:								
Inflation	0	0	0	0.0%	0	0	0	0.0%
Interest Rate	0	0	0	0.0%	0	0	0	0.0%
Foreign Exchange	0	0	0	0.0%	0	0	0	0.0%
Other	0	0	0	0.0%	0	0	0	0.0%
Cash & Cash								
All	0	2,308	2,308	3.6%	0	2,060	2,060	3.0%
Totals	25,606	38,159	63,765		27,832	41,197	69,029	

Note 32 Defined Benefit Pension Scheme Continued

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 dependant on assumptions about mortality rates, salary levels, etc. Both the Local Government Pension Scheme and discretionary benefits liabilities have been estimated by Hyman Robertson LLP, an independent firm of actuaries

The accounts have been prepared on the basis of the actuary's updated IAS 19 valuation report dated 26 April 2024. No further adjustment has been made within this year's results for the McCloud judgement.

The significant assumptions used by the actuary have been:

Mortality assumptions	**2022/23**	**2023/24**
Longevity at 65 for current pensioners:		
Men	21.0 Yrs	20.8 Yrs
Women	24.0 Yrs	23.8 Yrs
Longevity at 65 for future pensioners:		
Men	21.8 Yrs	21.6 Yrs
Women	25.5 Yrs	25.3 Yrs
Financial assumptions		
Rate of CPI inflation	2.95%	2.75%
Rates of increase in salaries	3.95%	3.75%
Rate of increase in pensions	2.95%	2.75%
Rate for discounting scheme liabilities	4.75%	4.85%

The estimation of the scheme obligations is sensitive to the actuarial assumptions set out above. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes, while all other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not changed from those used in the previous period.

Note 32 Defined Benefit Pension Scheme Continued

Impact on the defined benefit obligation in the scheme	Approx % increase to defined benefit obligation	Approx monetary amount (£000s)
0.1% decrease in Real Discount Rate	2%	1,054
1 year increase in member life expectancy	4%	2,447
0.1% increase in the Salary Increase rate	0%	106
0.1% increase in the Pension Increase Rate (CPI)	2%	967

Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The County Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 19 years. Funding levels are monitored on an annual basis. A triennial valuation was completed as at 31 March 2022.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service pension schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The authority is anticipated to pay £1.575m expected contributions to the scheme in 2024/25.

McCloud Judgement

As a result of the McCloud judgement, the Accounts included a past service gain of £126k in 2019/20 which reflected the revision by the actuaries of their previous estimate. No additional adjustment has been added to the current service cost for 2023/24 or the projected cost for 2024/25 on the basis that the previous adjustment is has been rolled forward and is included in the balance sheet position.

Guaranteed Minimum Pension (GMP) Equalisation

The Fund's actuary carried out calculations in 2019/20 in order to estimate the impact that the GMP indexation changes will have on the liabilities of the Authority for financial reporting purposes. The estimate assumes that the permanent solution eventually agreed will be equivalent in cost to extending the interim solution to all members reaching state pension age from 6 April 2016 onwards. An allowance for full GMP indexation was included in the closing balance sheet position as at 31 March 2020, therefore no further allowances are required.

Financial assets carried at contract				3,185	3,298	3,806
Total debtors & investments	0	0	0	9,563	11,252	12,963
Borrowing						
Financial liabilities at amortised cost	(331)	(299)	(264)	(31)	(33)	(34)
Total borrowings	(331)	(299)	(264)	(31)	(33)	(34)
Creditors						
Financial liabilities at amortised cost				(1,029)	(1,439)	(2,328)
Total creditors				(1,029)	(1,439)	(2,328)

Financial liabilities, financial assets represented by loans and receivables and long-term debtors and creditors are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments. The fair values of loans, provided by PWLB, are reported in Note 34. Short term debtors and creditors are carried at cost as this is a fair approximation of their value. The risks and mitigating actions are described below.

Credit Risk

This is defined as the possibility that one party to a financial instrument will fail to meet its contractual obligations causing a loss for the other party. The Balance Sheet contains two items of this nature, Debtors (Note 14) and Cash and Cash Equivalents (Note 15). The Debtors figure contains £1.378m of debt from government agencies, Local Authorities and other public bodies. These funds are owed because of projects the Authority undertakes either in partnership or as a result of grant aid. The risks of non payment are assessed as relatively low as project outcomes and eligibility rules are believed to have been met for funds expended during 2023/24. The Debtors figure of £2.476m relating to bodies external to government arises from a combination of normal business activity and one-off projects. The Expected credit loss of £23k is regarded as reasonable mitigation of the risks of general debts not being paid, representing 0.6% of all outstanding debt outstanding and 0.9% excluding Local authorities and other public bodies. The provision is reviewed annually and the Authority has a history of negligible credit loss (c.£1,600 in the last 5 years). All Short Term investments, in accordance with the Authority's Treasury Management Policy, are invested with North Yorkshire County Council under a Service Level Agreement. The risk of North Yorkshire County Council failing to meet its contractual obligations under this agreement is judged to be low. The Authority has adopted North Yorkshire County Council's Treasury Management Policy at its April 2024 meeting. The Authority's Treasury Management Policy emphasises that the security of its cash resources is the primary objective of its Treasury Management, over and above the need to obtain a reasonable investment return. North Yorkshire County Council became North Yorkshire Unitary Council from April 2023 however a new SLA has been taken out with the new Authority, the level of risk remain low.

Note 33 Risks Arising from Financial Instruments Continued

Liquidity Risk
This is defined as the possibility that the Authority might not have the funds available to meet its commitment to make payments. The Balance Sheet shows that the Authority has sufficient cash to finance its current liabilities, and the Treasury Management Policy allows the Authority to borrow to finance its working capital needs if necessary. In practice this has not been needed as Defra allow National Park Grant to be drawn down quarterly based on cashflow forecasts, and these forecasts include prudent contingencies for working capital. For its capital resources the Authority is able to draw on long term loans from the Public Works Loan Board.

Market Risk
This is defined as exposure to movement in prices arising from market conditions. The Authority does not have any investment in equity shares.

Foreign exchange rate risk
The Authority has some exposure to exchange rate risk because of a European funded grant project, which is paid retrospectively in euros.

The exposure relates to the Moorlife 2020 project, which was a five year project with 75% grant aid from the European Commission of €11.9m, starting in 2016/17, which ended in 2022. The project therefore has an element of exchange rate risk depending upon the exchange rate of the euro against sterling, at key points in the project. The grant was drawn down in four stages, and the date on which the euro grant is drawn down and paid over determines the value of sterling income received. Due to a large spike in sterling on drawdown of the first grant a significant loss was made on exchange. All stages have now been claimed, leaving an exchange rate deficit of £810K. £500K was earmarked from the matched funding reserve at the end of the previous financial year to part cover the deficit. £77K has been allocated from the revenue grants reserve in FY23/24. It has been agreed that the balance of £233K will be captured in the outturn to account for the balance of the exchange rate loss. The Life Programme are still within the legal time frame to externally audit the project, up to and including 2027, therefore further financial loss may arise

Interest rate risk
The authority is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movement in interest rates have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the surplus or deficit on the
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall
- investments at variable rates – the interest income credited to the surplus or deficit on the
- investments at fixed rates – the fair value of the assets will fall.

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the surplus of deficit on the provision of services or other comprehensive income and expenditure.

However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the surplus or deficit on the provision of services and affect the General Fund balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in other comprehensive income and expenditure.

There is not considered to be a significant risk in the Authority's financial position arising from changes in variable interest rates, other than continuing pressure on budgets because of the depressed investment receipts. The Authority's long term borrowings are at a fixed rate of interest, and it is the Authority's policy to manage these risks by monitoring prevailing long term interest rates, ensuring that exposure to uncompetitive interest rate payments is minimised where possible. The timing of capital investment and raising of loan finance is also reviewed and forecast, in order to take advantage of interest rates which compare favourably against long term averages; the Capital Financing Requirement (CFR) is also managed in the short term with internal use of funds. Of the £1.128m CFR, £268k is financed from external fixed rate debt, with £864k at risk of interest rate fluctuations, and it is considered that there is a reasonable risk in continuing to finance this from internal funds while the markets are still pricing medium term interest rates at low levels.

Note 34 Loans

The Authority's short-term and long-term borrowing is as follows:

	2022/23 £'000s	2023/24 £'000s
Short Term Analysis by Type of Loan		
Public Works Loan Board	33	34
	33	**34**

	2022/23 £'000s	2023/24 £'000s	Average Interest Rate %
Long Term Analysis by Type of Loan			
Public Works Loan Board	299	264	4.70%
	299	**264**	

The CIPFA Code requires disclosure of the fair value of the loan, which is calculated by the PWLB based on the repayment rates prevailing on the dates below. This value is compared against the carrying value in the Balance Sheet, including debt repayments due within one year.

	2022/23 £'000s	2023/24 £'000s
PWLB Fair Value		
Balance Sheet Carrying Value		
Under 1 year	33	35
Between 1 - 30 years	299	274
	332	**309**

Note 34 Loans Continued

The Fair Value is more than the carrying amount at 31 March 2024 because the fixed rate loan interest payable on existing loans is higher than the rates available for similar loans at that date. This Fair Value is derived by discounting the current fixed repayments remaining on the loan using the interest rates available at Balance Sheet date, with the result that if the Authority requested an early repayment of the loan, the lower interest rates prevailing at Balance Sheet date would result in the PWLB requesting a higher current value for the repayment than the amount outstanding shown in the Balance Sheet.

The Authority has only one long term loan:

A 25 year PWLB loan, repayable using the annuity method of repayment, with fixed half-yearly payments including principal and interest. The loan was taken out on 30 October 2006 at a fixed rate of 4.7% with a final payment 30 September 2031.

Note 35 Impact of Accounting Changes

Under the CIPFA Code, the Authority is required to disclose details on the impact of an accounting change required by a new accounting standard that has been issued but not yet adopted by the Code.

The principal accounting change that will affect this Authority's accounts will arise from the introduction of IFRS 16 – Leases. This standard is now anticipated to apply from 1st April 2024, and establishes a new model for accounting for leases of substantial long term leased assets. The likely impact is that leases classified as operating leases may need to be re-classified and dealt with as a balance sheet asset, in a similar way to finance leases currently. The precise impact on the Authority has not yet been calculated as the application of the standard to Local Authorities is still being discussed, but it is expected that a number of property leases will be affected by the change. The balance sheet values affected may not be a material sum, depending on the accounting treatment required under the new standard, especially for peppercorn or nil consideration leases.

Note 36 Reconciliation of Liabilities Arising from Financing Activities

	31st March 2023 £'000s	Financing Cashflows £'000s	31st March 2024 £'000s
Long term borrowings	(299)	(34)	(264)
Short term borrowings	(33)	2	(34)
	(331)	**(33)**	**(299)**