

RHYBUDD O GYFARFOD / NOTICE OF MEETING



Awdurdod Parc Cenedlaethol Eryri

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Snowdonia National Park Authority

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Cyfarfod Arbennig: *Awdurdod Parc Cenedlaethol Eryri*

Dyddiad: *Dydd Mercher 18 Tachwedd 2020*

Amser: *09.00 y.b.*

Anfonir cyfarwyddiadau ymuno at yr Aelodau ar wahân

Special Meeting: *Snowdonia National Park Authority*

Date: *Wednesday 18 November 2020*

Time: *09.00 a.m.*

Joining instructions will be sent to Members separately

Aelodau wedi'u penodi gan Gyngor Gwynedd

Members appointed by Gwynedd Council

Y Cynghorydd / Councillor :

*Freya Hannah Bentham, Elwyn Edwards, Alwyn Gruffydd,
Annwen Hughes, Judith Mary Humphreys, Edgar Wyn Owen,
Elfed Powell Roberts, John Pughe Roberts, Gethin Glyn Williams;*

Aelodau wedi'u penodi gan Gyngor Bwrdeistref Sirol Conwy

Members appointed by Conwy County Borough Council

Y Cynghorydd / Councillor :

Philip Capper, Wyn Ellis-Jones, Ifor Glyn Lloyd;

Aelodau wedi'u penodi gan Llywodraeth Cymru

Members appointed by The Welsh Government

*Mr. Brian Angell, Ms. Tracey Evans, Mrs. Sarah Hattle,
Mr. Tim Jones, Mr. Neil Martinson, Mr. Owain Wyn.*

A G E N D A

1. **Apologies for absence and Chairman's Announcements**
To receive any apologies for absence and Chairman's announcements.

2. **Declaration of Interest**
To receive any disclosure of interest by members or officers in respect of any item of business.

3. **Final Accounts 2019/20**
To submit the statutory financial statements for 2019/20.
 - a) To submit the 2019/20 Financial Statements (Chief Finance Officer).
(Copies herewith)

 - b) To submit the ISA 260 Report – Audit of Financial Statements (Welsh Audit Office). (Copy herewith)

 - c) To authorise the Chairman and the Chief Finance Officer to sign the “letter of representation” on behalf of the Authority in connection with the approval of the Authority's statutory financial statements (Appendix 1 of the Wales Audit Office's ISA 260 Report).

ITEM NO. 3

MEETING	Snowdonia National Park Authority
DATE	18 November 2020
TITLE	STATEMENT OF ACCOUNTS 2019/20
REPORT BY	Chief Finance Officer
PURPOSE	<p>To receive and note the “ISA260” report presented by Audit Wales.</p> <p>To approve the post-audit Statement of Accounts.</p> <p>To authorise the Chairman of the meeting, together with the Chief Finance Officer, to certify the Letter of Representation.</p>

1. BACKGROUND

- 1.1 Further to and based upon the Outturn Report for 2019/20 approved by the Authority on 15 July, the draft Statement of Accounts was completed within this unusual year’s extended timeline by the Authority’s Head of Finance and his staff and certified (subject to audit) by the Authority’s Chief Finance Officer on 21 August.
- 1.2 The Statement of Accounts has since been audited by Audit Wales and the final version (post-audit) of the Statement of Accounts for 2019/20 is presented herewith to the Authority for approval in accordance with the The Accounts and Audit (Wales) (Amendment) Regulations 2018. Audit Wales will require a Letter of Representation from the Authority before the Appointed Auditor (the Auditor General for Wales, Adrian Crompton) can finally issue the certificate on our accounts.
- 1.3 For completeness, the Statement of Accounts presented here includes the Annual Governance Statement which has already been approved by the Authority on 20 May 2020.

2. ADJUSTMENTS ARISING FROM THE AUDIT

The main adjustments since the pre-audit version have been outlined in the “ISA260” report presented here by Audit Wales. These changes have no significant impact upon the Authority’s ongoing financial management.

3. APPROVAL OF STATEMENT OF ACCOUNTS

The Accounts and Audit (Wales) (Amendment) Regulations 2018 require that the Statement of Accounts is approved by resolution of the Authority, and signed and dated by the 'person presiding' (Chairman) at the meeting in which they were approved. A copy of the audited accounts for 2019/20 is presented here in Appendix 1 of this report.

4. LETTER OF REPRESENTATION

The draft Letter of Representation is presented here in Appendix 1 of Audit Wales' ISA260 report. If members of the Authority approve the post-audit Statement of Accounts, they may also authorise the Chairman of the meeting, together with the Chief Finance Officer, to certify the Letter of Representation on their behalf.

This year, due to the challenges posed by the Covid-19 pandemic, electronic certification of the Statement of Accounts and the Letter of Representation will be acceptable.

5. RECOMMENDATIONS

To receive and note the "ISA260" report presented by Audit Wales.

To approve the Authority's post-audit Statement of Accounts for 2019/20.

To authorise the Chairman of the meeting, together with the Chief Finance Officer, to certify the Letter of Representation.

6. BACKGROUND PAPERS

The Outturn Report for 2019/20 approved by the Authority on 15 July.

Audit Wales' ISA260 report submitted to this meeting.

SNOWDONIA NATIONAL PARK AUTHORITY

STATEMENT OF ACCOUNTS



FOR THE YEAR ENDED 31ST MARCH 2020

SNOWDONIA NATIONAL PARK AUTHORITY**STATEMENT OF ACCOUNTS 2019/20****INDEX**

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NARRATIVE REPORT

1. INTRODUCTION

The narrative report provides a brief explanation of the more significant matters reported in the accounts and aims to add to and assist the interpretation of the accounting statements which are set out on pages 22 to 26 and consist of :-

- The **Comprehensive Income and Expenditure Statement** consolidates all the gains and losses experienced by the Authority during the financial year. These gains and losses should reconcile to the overall movement in net worth.
- The **Balance Sheet** setting out the financial position of the Authority as at 31st March 2020.
- The **Movement in Reserves Statement** is a summary of the changes that have taken place in the bottom half of the balance sheet over the financial year.
- The **Cash Flow Statement** which summarises the inflows and outflows of cash arising from transactions for revenue and capital purposes.

The accounts are supported by the Statement of Accounting Policies and explanatory notes.

2. SNOWDONIA NATIONAL PARK'S VISION AND PRIORITIES

The National Park Authority's vision was adopted in December 2009 and is as follows :

By 2035 Snowdonia will continue to be a protected and evolving landscape, safeguarded and enhanced to provide a rich and varied natural environment; providing social, economic and well-being benefits nationally and internationally.

National Park purposes will be delivered through a diverse and prospering economy adapted to the challenges of climate change and founded on natural resources – its landscape qualities, opportunities for learning and enjoyment, cultural and natural heritage. With thriving bilingual and inclusive communities, partnership working will have demonstrated that more can be achieved through working together.

Communities will have adopted innovative solutions in a changing world – a low carbon economy will have strengthened residents' link with the environment, providing a better standard of living and ensuring Snowdonia's reputation as an internationally renowned National Park and one of the nation's breathing spaces.

There are several elements to the National Park Authority Corporate Plan (published in the April Authority agenda each year), including the Authority objectives and seven well-being & sustainable development objectives. The corporate planning process is also described in the April Authority document. The corporate programme providing detail on specific corporate well-being and

improvement objectives is provided in a separate agenda item to the same Authority. Said Authority agenda is available at:

https://www.snowdonia.gov.wales/_data/assets/pdf_file/0036/298665/Authority03.06.20.pdf

3 FINANCIAL CONTEXT

FINANCIAL PERFORMANCE AND YEAR END POSITION

The revised 2019/20 budget as reported to the Authority on 15th July 2020 was as below.

	Budgeted	Actual	Variance
	£	£	£
Planning & Land Management	2,369,387	991,037	1,378,350
Corporate	3,591,499	3,100,998	490,501
Interest	-29,200	-48,077	18,877
Capital funding from revenue	1,263,693	-848,149	2,111,842
Capital charge adjustment	-579,480	-579,480	0
Net	6,615,899	2,616,329	3,999,570
NPG & Levy	-4,993,683	-4,993,683	0
Tfr to/from reserves	-1,622,216	2,377,354	-3,999,570
TOTAL	0	0	0

The net variance of £3,999,570 was adjusted for end of year transfers to & from reserves (further information in par. 3.2 of said report) leaving a balance of £350,882 to be allocated. This figure was amalgamated into the revised balances in the Authority reserves. The report is item 4 on the following link -

https://www.snowdonia.gov.wales/_data/assets/pdf_file/0022/327820/Authority15.07.20.pdf

During the process of compiling the Statement of Accounts the following adjustments were made to the outturn resulting in reducing the balance to be allocated to £312,162. The adjusted net expenditure figures appear in the Expenditure and Funding Analysis (note 1 to the main statements). The reduction of £67,000 in the Corporate directorate net expenditure relates to the pension contribution pre-payment made in 2017/18 and is funded from the negative "usable reserve".

	Outturn	Adjustments	EFA (note 1)
	£	£	£
Planning & Land Management	991,037	3,909	994,946
Corporate	3,100,998	37,081	3,138,079
	4,092,035	40,990	4,133,025
Other movements		-2,270	
Balance	350,882	38,720	312,162

The movements in individual reserves is provided in note 8 to the financial statements.

4. SUMMARY OF MAIN POINTS :

Balance Sheet :

The Authority's net worth has increased by **£5,416**. The main points are as follows :

- **Long Term Assets** value has decreased by **£110k** due mainly to the difference between annual depreciation plus valuation losses against the additional expenditure on fixed assets.
- **Current Assets** value has increased by **£1,224k**. The main effect due to increase in :

Debtors (£890k) including grant schemes such as Celtic Rainforests (£266k), SMS (£246k) and TAIS (£98k).

Cash and investments (£364k) arising from capital grant monies worth £1.86m received in January 2020 and mostly unspent by 31/3/2020.

- **Current Liabilities** have decreased by **£1,177k** mainly due to the utilisation of ERAMMP and LIFE grants received in advance together with payment of LIFE scheme grant monies owed to RSPB.
- The **pension fund liability** has decreased by **£3,163k**.

Comprehensive Income and Expenditure Account :

The net cost of services has reduced by £181k, with the movements per directorate as follows :

- | | |
|---------------------------------------|----------|
| ▪ Planning and Land Management | -£1,165k |
| ▪ Corporate (including Communication) | +£1,012k |

And £36k "non-distributable cost" relating to the pension fund in 2019/20 (£64k in 2018/19)

Main movements are as follows :

More income / less expenditure

- (£222k) £852k grants in advance credited to services in 19/20 whereas the figure was £630k in 18/19.
- (£943k) £1.1m Welsh Government grant to the LIFE scheme – Celtic Rainforests in 19/20 whereas the 18/19 figure was £180k.

Less income / more expenditure

- (£189k) £206k valuation loss in 19/20 compared to £17k in 18/19.
- (£173k) £375k Refcus net expenditure in 19/20 compared to £202k in 18/19.
- (£419k) including £113k more payroll expenditure and £236k less of grant income in 19/20 for the Engagement service.
- £262k) more IAS19 pension adjustment in the servicers in 19/20.

In addition to receiving grant funding the Authority also generates its own income. Note 1c to the main statements shows £2,513k generated from fees, charges and other service based income; of this the main components are as follows :

- | | |
|-----------------------------|-------|
| ▪ Car Park fee income | £884k |
| ▪ Study Centre course fees | £496k |
| ▪ Information Centres sales | £185k |
| ▪ Planning fees | £159k |
| ▪ Rent | £141k |

5. PENSION LIABILITY

Snowdonia National Park Authority is an employer in the Gwynedd Pension Fund. The accounts fully incorporate the requirements of International Accounting Standard 19 (IAS 19).

The policy reflects the commitment in the long-term to increase contributions to make up any shortfall in attributable net assets in the pension fund.

The net pension liability in the balance sheet reduces the net worth of the Authority by £4,589k as at 31st of March 2020. The hypothetical figure has decreased by £3,163k since 31st of March 2019. The main reason for this is the effect of the change in Actuarial assumptions in lieu of national developments. (detail in note 36)

6. UNUSUAL CHARGE OR CREDIT IN THE ACCOUNTS

The main items are the £1.86m capital grants received in January 2020 from Welsh Government and the £67k adjustment relating to the employers pension contributions 2017/18 pre-payment & appropriation from the pension fund liability reserve.

7. CAPITAL EXPENDITURE

Capital expenditure is expenditure on the acquisition of a fixed asset or expenditure which adds to and not merely maintains the value of the existing fixed asset.

Capital expenditure in 2019/20 amounted to £1,388,978. Details of expenditure within each service area are shown in note 30. The expenditure was financed by grants and contributions from other bodies (£1,128,407), use of capital receipts (£23,250) and direct revenue financing (£237,321).

All planned capital expenditure will be funded from revenue, external grants and reserves held for one off spends.

The main schemes in which the Authority was involved as at 31st March 2020 were :

- The development of the Ysgwrn property currently estimated at a cost of circa £3.7m. The scheme has been given an extension of time until 31/1/2021.
- The Town Heritage Scheme at Dolgellau currently estimated at a cost of £2m. Scheme programmed to finish in 2021/22.
- The Carneddau Partnership Scheme is now in its operational stage and estimated to be worth £3.17m. Scheme programmed to finish in January 2025.
- The Celtic Rainforests project is a 7 year project worth £7.6m. Scheme programmed to finish in 2025/26.

As a result of Covid 19 there will be further discussion with funders regarding the option of an extension of time for those schemes where it has not already been granted.

8. CAPITAL FUNDING

All capital expenditure of the Authority, since being established on 23rd November 1995, has been funded by capital grants and contributions from the Government, European Community and other sources of grants, from capital receipts applied and from the Authority's revenue resources.

As at 31st March 2020 the Authority had no outstanding debts to finance capital expenditure, and for treasury management purposes will remain a debt-free authority.

9. SIGNIFICANT PROVISIONS / CONTINGENCIES AND MATERIAL WRITE OFFS

The General Revenue Reserve balance was reviewed during the year as part of a review of Authority reserves, and currently stands at £659k.

The Authority has specific Usable Reserves totalling £8,039 and these are detailed in note 8 to the financial statements. It should be noted that most of the reserves are earmarked for specific purposes.

10. GOVERNANCE

The Authority has 18 members, who serve on the Authority Board, Performance and Resources Committee and Planning and Access Committee. Plas Tan y Bwlch has a Management Board consisting of 3 members.

Further information on governance and related issues relating to 2019/20 is provided in the Annual Governance Statement part of this document.

11. RISKS AND OPPORTUNITIES

Risks

The Authority's main risks are documented in the Corporate Risk Register which is reviewed by the Performance and Resources Committee and annually in the February Authority.

The Authority's 5 main risks and the measures for mitigation are noted at the end of part 6 of the Annual Governance Statement

Opportunities

The Authority has been provided with "one-off" funding by Welsh Government to undertake work on capital projects including Access and improvements to the Authority's properties.

The Authority continues to attract grant funding from various sources which enables an operating capacity much higher than that possible through the base grant only. The annual contraction in Authority staff numbers, however, does mean that there is an element of risk re capacity in undertaking future projects.

12. AUTHORITY STRATEGIES

The Authority's four main strategies are :

- Snowdonia National Park Management Plan,
- Eryri Local Development Plan,
- Corporate Plan, and
- Corporate Work Programme.

Further information about the 4 strategies as well as other Authority strategies and a review of their effectiveness is in part 5 of the Annual Governance Statement.

13. IMPACT OF THE CURRENT ECONOMIC CLIMATE

The Authority has balanced its budget for 2020/21 based on the National Park Grant figure as advised by Welsh Government officers in December 2019. Welsh Government has not provided indicative settlement figures for 2021/22 and beyond. At the time of writing the Brexit arrangement is still unknown. In the event of a "no-

deal" Brexit, the UK government have stated that they will underwrite the European LIFE grant monies if required.

The COVID-19 effect

The Authority has received financial support via Non-Domestic tax saving and also business support grants from Gwynedd and Conwy councils. The future of Plas Tan y Bwlch is under consideration. Access to Yr Ysgwrn and TIC's is limited and follows Welsh Government guidelines. Other services such as Planning, Conservation, Heritage and Wardens have recommenced and adopted Covid working arrangements.

All relevant staff had been enabled to work from home by the end of March. Some external staff have been able to resume their normal duties but with working arrangements in accordance with Covid requirements. Staff were put on the Furlough scheme in three service areas.

The effect of Covid 19 on loss of income e.g. car park fees have been mitigated by Welsh Government support for the first quarter of the financial year 2020/21. The Authority has considered the tenants' situations. Where there is a delay with capital and grant projects, the Authority is maintaining contact with the relevant funders and partners. The Authority has faced some additional costs by enabling staff to work from home, work in accordance with Covid's requirements and also in relation to opening up the area after travel restrictions were relaxed.

At the time of writing the Statement, the Authority's cash flow is adequate, but if there is a "second wave" of the virus our situation would need to be re-evaluated.

A revised risk register was submitted to the Authority on 3rd June incorporating an evaluation of the impact of Covid 19 and the relevant mitigation actions.

The Authority has checked the Management Plan against the lessons learned as a result of Covid. A review of the Local Development Plan will commence shortly and this will also consider the challenges for the area resulting from Covid. The Corporate and Well-being plan will be developed over the Autumn / winter including consideration of Covid issues. The Authority is continually reviewing the financial impact until there is better stability.

FURTHER INFORMATION

Further information about this Statement of Account is available from:

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**THE 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. For Snowdonia National Park Authority, that officer is the Chief Finance Officer;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- Approve the statement of accounts.

These accounts were approved by the Authority on 18th November 2020

Signature :

CLLR WYN ELLIS-JONES - CHAIRMAN

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 local authority CODE.

The Chief Financial 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.

CHIEF FINANCE OFFICER’S CERTIFICATE

I certify that the Statement of Accounts has been prepared in accordance with the Local Government Accounts and Audit Regulations and gives a true and fair view of the financial position of the Authority at the accounting date and its income and expenditure for the year ended 31 March 2020.

Signature 

6th November 2020

DAFYDD L. EDWARDS - CHIEF FINANCE OFFICER

STATEMENT OF ACCOUNTING POLICIES

1. General Principles

The accounts have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the CODE).

The Code of Practice requires accounting policies to be applied consistently. The overriding requirement is that the Statement of Accounts “present a true and fair view” of the financial performance and position of the Authority.

2. Accounting Concepts

The accounts have been prepared in accordance with the following fundamental (and pervasive) accounting principles and concepts:

- Going concern
- Relevance
- Faithful representation
- Comparability
- Understandable
- Materiality
- Accruals
- Primacy of legislative requirement

These principles and concepts have been used in the selection and application of accounting policies and estimation techniques and in the exercise of professional judgement.

3. Accruals of Expenditure and Income

The revenue and capital accounts of the Authority are maintained on an accruals basis. All sums due to the Authority are set up in the accounts at the time they are due.

- Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

4. Cash and Cash Equivalents

These consist of the Authority's imprest and float accounts and cash held on "call" or short term deposit with banks where the monies are repayable without penalty on notice of not more than 24 hours.

5. Exceptional Items

Where such items are applicable to the 2019/20 accounts, they have been highlighted in the relevant notes e.g. revaluation losses.

6. Prior period adjustments, changes in accounting policies and estimates and errors

There are no material adjustments arising in 2019/20.

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 fixed 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 fixed assets attributable to the service.
These sums are not chargeable against the Authority's General Fund and as such are therefore reversed out through an adjusting transaction with the Capital Adjustment Account as shown in the Movement in Reserves Statement.

8. Employee Benefits**8.1 Benefits Payable During Employment :**

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the Authority.

8.2 Termination Benefits :

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

8.3 Post Employment Benefits :

Employees of the Authority are members of the Local Government Pensions Scheme, administered by Gwynedd Council. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Authority.

8.4 The Local Government Pension Scheme

All staff, subject to certain qualifying criteria, are entitled to become members of the Local Government Pension Scheme. The pension costs charged to the Authority's accounts in respect of this group of employees are determined by the fund administrators and represent a fixed proportion of employees' contributions to this funded pension scheme.

The Local Government Scheme is accounted for as a defined benefit scheme.

The liabilities of the Gwynedd 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 such as mortality rates, employee turnover rates, etc., and projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate of 2.3% calculated as a weighted average of 'spot yields' on AA rated corporate bonds.

The assets of the Gwynedd Pension Fund attributable to the Authority are included in the Balance Sheet at their fair value as determined by the Fund's Actuary.

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

Service cost comprising:

- Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
- Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Corporate costs.
- Net interest on the net defined benefit liability/(asset), i.e. the net interest expense for the Authority – the change during the period in the net defined benefit liability/(asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability/(asset) at the beginning of the period – taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments.

Re-measurements comprising:

- The return on plan assets – excluding amounts included in net interest on the net defined benefit liability/(asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- 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 Gwynedd Pension Fund – cash paid as employer's contributions to the Pension Fund in settlement of liabilities not accounted for as an expense.

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

International Accounting Standard (IAS) 19 governs how the long-term liabilities which exist in relation to pension costs should be reported. Local Authorities in England and Wales are required to produce their financial statements in accordance with IAS19.

8.5 Discretionary Benefits

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

9. Events After the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, 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 that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such 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.

10. **Financial Instruments**

Financial Liabilities

The Authority is a debt-free Authority in that it has no borrowings.

Financial Assets

Financial assets are classified into two types:

- Loans and Receivables – Assets that have fixed or determinable payments but are not quoted in an active market.

Such instruments relevant to the Authority are car loans made to employees (however the sums are deemed not to be material enough for inclusion).

- Available-for-sale assets – Assets that have a quoted market price and/or do not have fixed or determinable payments. The Authority has no such asset.

11. **Foreign Currency**

Income and expenditure arising from any transactions denominated in a foreign currency is translated to £ sterling.

12. **Government Grants and other 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;
- the grants or contributions will be received.

Amounts recognised as due to the Authority are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or 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, or 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 (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement.

Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. 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.

13. Heritage Assets

Heritage assets are those assets preserved in trust for future generations because of their cultural, environmental or historic associations i.e. they have historical, artistic, scientific, geophysical or environmental qualities. They are maintained by the Authority principally for their contribution to knowledge and culture, but are not utilised by the Authority in its normal course of business. Depreciation of heritage assets, where appropriate, is in line with the Authority's general policy on depreciation.

14. Intangible Assets

Purchased intangible assets in the form of software licences are accounted for as part of the Information Technology replacement programme, and are written off to revenue in line with depreciation charges.

15. Interests in Companies and Other Entities

The Authority has an interest in a Limited Liability Partnership together with 13 other UK National Park Authorities for the purpose of generating income mainly from sponsorship.

16. Inventories and Long Term Contracts

Stocks are brought into account at cost price for bar stocks, goods for resale and general provisions at Plas Tan y Bwlch, Study Centre, and for goods for resale at the Authority's Information Centres. This is consistent with the policy adopted in previous years. Recommended practice requires stocks to be shown at the lower of actual cost or net realisable value but the difference in this case is not considered to be material.

17. Leases (Finance)

As at 31/3/2020 the Authority has no finance lease arrangements.

18. Leases (Operational)

The Authority manages operating leases for:

- Vehicles,
- Photocopiers and snacks & drinks machines.
- Land and buildings

Lease payments are charged in full according to date payable on a straight line basis, ensuring an equal annual charge to service revenue accounts throughout the life of the lease.

The Authority rents a number of properties in support of its services, and also receives rental income from a number of owned properties. The owned properties are held as fixed assets in the balance sheet. The lease income is accounted for on a straight line basis.

19. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and

that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

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

Measurement: Assets are initially measured at cost, comprising:

- the purchase price
- 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 initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.)

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Authority). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Authority.

Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost where known
- Non-operational assets (surplus assets) - measured at fair (market) value.
- All other assets – service potential at existing use value (EUV), determined as the amount that would be paid for the asset in its existing use.

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

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value. Other than for information systems equipment, a de minimis level of £10k has been used for the recognition of non-current assets.

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 Comprehensive Income and

Expenditure Statement where they arise from the reversal of a loss previously charged to a service.]

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1st April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Componentisation :The Authority has applied the componentisation principle to those assets valued at £150k or over and where the difference in depreciation cost is identified as being material. This principle is applied in order that those elements of a property that have different operational lives and thereby differing rates of depreciation are recognised and accounted for.

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 the shortfall.

Where impairment losses are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, 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 and 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 that are not yet available for use (i.e. assets under construction). Neither investment assets nor assets held for sale are depreciated.

Depreciation is calculated on the following bases:

- Buildings – straight-line allocation over the useful life of the property as estimated by the valuer
- Vehicles, plant, furniture and equipment – a percentage of the value of each class of assets in the Balance Sheet, as advised by a suitably qualified officer

Depreciation is applied on the basis of a full year in the year when the asset is first recognised in the Authority's accounts. Where an item of Property, Plant and

Equipment asset 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 historical 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 reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification 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 Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously losses recognised in the Surplus or Deficit on Provision of Services.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified 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 not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement 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). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10k are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used 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.

The written-off value of disposals is not a charge against the General Fund. These amounts are appropriated to the Capital Adjustment Account 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. For instance, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions

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

Contingent Liabilities

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

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts 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 policy purposes or to cover risks. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against the General Fund 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 – these reserves are explained in the relevant policies.

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 Comprehensive Income and Expenditure Statement in the year. 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 General Fund Balance.

23. Value Added Tax

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.

The Authority supplies :

- Some services which are exempt of VAT (e.g. providing educational courses at Plas Tan y Bwlch, renting out land & buildings without opting to tax etc.), and
- Other goods and services which are not exempt of VAT (e.g. bar sales at Plas Tan y Bwlch, sale of trees etc.)

The Authority, therefore, falls within the scope of VAT Partial Exemption regulations (including at present the capital goods scheme). As such the Authority is unable to recover all the input tax incurred. It is the Authority's practice to include all input tax which cannot be recovered from H.M. Revenue and Customs within the costs of relevant services.

THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

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

2018/19 Gross Expenditure	2018/19 Gross Income £'000	2018/19 Net Expenditure £'000		2019/20 Gross Expenditure £'000	2019/20 Gross Income £'000	2019/20 Net Expenditure £'000
4,621	-2,382	2,239	Planning and Land Management	5,549	-4,475	1,074
4,722	-2,097	2,625	Corporate	5,563	-1,926	3,637
64	0	64	Non-distributable Costs	36	0	36
9,407	-4,479	4,928	Net Cost of Service	11,148	-6,401	4,747
		0	Other Operating Expenditure (note 9)			-58
		115	Financing and Investment Income and Expenditure (note 10)			146
		5,043	Net Operating Expenditure			4,835
		-5,136	Non-specific grant income (note 11)			-6,219
		-93	Surplus (-) / Deficit on Provision of Services for the year			-1,384
		-14	Net surplus on revaluation of fixed assets and impairment losses charged to the revaluation reserve (note 21)			180
		1,663	Actuarial gains / losses on pension assets/liabilities (note 36)			-4,212
		1,649				-4,032
		1,556	Total Comprehensive Income and Expenditure			- 5,416

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 of the Authority (assets less liabilities) are matched by the reserves held by the Authority. Reserves 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 (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example 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 between accounting basis and funding basis under regulations".

2018/19		Notes	2019/20
£'000			£'000
17,718	Property, Plant & Equipment	12	17,624
822	Heritage Assets	13	810
41	Long Term Debtors	17	37
18,581	Long Term Assets		18,471
33	Assets Held for Sale	14	0
3,897	Short term investments	15	5,468
128	Inventories	16	131
914	Short Term Debtors	17	1,804
3,848	Cash and Cash Equivalents	18	2,641
8,820	Current Assets		10,044
-2,933	Short Term Creditors	19	-1,761
-8	Provisions		-3
-2,941	Current Liabilities		-1,764
-7,752	Pension Fund Liability	36	-4,589
-392	Long Term Creditors	19	-430
-8,144	Long Term Liabilities		-5,019
16,316	Net Assets		21,732
-5,625	Usable Reserves	8	-8,039
-10,691	Unusable Reserves	21	-13,693
-16,316	Total Reserves		-21,732

THE 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 reserves. The Surplus (+) or Deficit (-) on the Provision of Services line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance. The Net Increase/Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.

MOVEMENT IN RESERVES STATEMENT 2019/20

	General Fund & Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Total Usuable Reserves	Unusable Reserves	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 31 March 2019 brought forward	-4,282	-152	-1,190	-5,625	-10,691	-16,316
Total Comprehensive Income and Expenditure	-1,384	0	0	-1,384	-4,032	-5,416
Adjustments between accounting basis & funding basis under regulations (note 7)	48	-11	-1,067	-1,030	1,030	0
Increase / Decrease in 2019/20	-1,336	-11	-1,067	-2,414	-3,002	-5,416
Balance as at 31 March 2020 carried forward	-5,618	-163	-2,257	-8,039	-13,693	-21,732
General Fund	-659					
Earmarked Reserves	-4,959	(see note 8)				
	-5,618					

MOVEMENT IN RESERVES STATEMENT 2018/19

	General Fund & Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Total Usuable Reserves	Unusable Reserves	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 31 March 2018 brought forward	-3,039	-172	-1,137	-4,349	-13,523	-17,872
Total Comprehensive Income and Expenditure	-93	0	0	-93	1,649	1,556
Adjustments between accounting basis & funding basis under regulations (note 7)	-1,150	20	-53	-1,183	1,183	0
Increase / Decrease in 2018/19	-1,243	20	-53	-1,276	2,832	1,556
Balance as at 31 March 2019 carried forward	-4,282	-152	-1,190	-5,625	-10,691	-16,316
General Fund	-347					
Earmarked Reserves	-3,935	(see note 8)				
	-4,282					

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 grant and levy 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.

2018/19		2019/20
£'000		£'000
-93	Net (surplus) or deficit on the provision of services	-1,384
-2,575	Adjustments to net surplus or deficit on the provision of services for non-cash movements (note 22)	-24
269	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	1,466
-2,399	Net cash flows from Operating Activities	58
3,485	Investing Activities (note 23)	1,154
-6	Financing Activities (note 24)	-5
1,080	Net increase (-) or decrease (+) in cash and cash equivalents	1,207
4,928	Cash and cash equivalents at the beginning of the reporting period	3,848
3,848	Cash and cash equivalents at the end of the reporting period (note 18)	2,641

NOTES TO THE FINANCIAL STATEMENTS

1. EXPENDITURE AND FUNDING ANALYSIS

The objective of the Expenditure and Funding Analysis is to demonstrate how the funding available to the Authority (i.e. government grants, rents, fees & charges etc.) for the year has been used in providing services in comparison with those resources consumed or earned by authorities 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 council's directorates. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2019/20					
	Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Adjustment between Outturn and Comprehensive Income and Expenditure Statement	Outturn
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Planning and Land Management	1,244	170	1,074	79	995
Corporate and Communication	3,551	-86	3,637	499	3,138
Costs that cannot be allocated	0	-36	36	36	0
Net Cost of Services	4,795	48	4,747	614	4,133
Other Income and Expenditure	-6,131		-6,131	-6,131	0
Surplus / Deficit	-1,336	48	-1,384	-5,517	4,133
Opening Balance	-4,282				
Surplus for the year	-1,336				
Closing Balance	-5,618				
	-659	General Fund			
	-4,959	Earmarked reserves (note 8)			
	-5,618				

2018/19					
	Net Expenditure Chargeable to the General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Adjustment between Outturn and Comprehensive Income and Expenditure Statement	Outturn
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Planning and Land Management	1,747	-492	2,239	507	1,732
Corporate and Communication	2,031	-594	2,625	266	2,359
Costs that cannot be allocated	0	-64	64	64	0
Net Cost of Services	3,778	-1,150	4,928	837	4,091
Other Income and Expenditure	-5,021	0	-5,021	-5,021	0
Surplus / Deficit	-1,243	-1,150	-93	-4,184	4,091
Opening Balance	-3,039				
Surplus for the year	-1,243				
Closing Balance	-4,282				
	-347	General Fund			
	-3,935	Earmarked reserves (note 8)			
	-4,282				

1a NOTE ON ADJUSTMENTS BETWEEN THE FUNDING AND ACCOUNTING BASIS

Adjustments between Funding and Accounting Basis 2019/20				
Adjustments from the General Fund to arrive at the CI&E Statement amounts	Adjustments for Capital Purposes (£'000)	Net Change for the Pensions & Employee Benefit adjustments (£'000)	Other Differences (£'000)	Total adjustments (£'000)
Planning and Land Management	654	-484	0	170
Corporate (incl. Communication)	465	-551	0	-86
Costs that cannot be allocated	0	-36	0	-36
Net Cost of Services	1,119	-1,071	0	48
Other income and expenditure from the Exp and Inc Analysis	0	0	0	0
Difference between the General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	1,119	-1,071	0	48

Adjustments between Funding and Accounting Basis 2018/19				
Adjustments from the General Fund to arrive at the CI&E Statement amounts	Adjustments for Capital Purposes (£'000)	Net Change for the Pensions & Employee Benefit adjustments (£'000)	Other Differences (£'000)	Total adjustments (£'000)
Planning and Land Management	-189	-303	0	-492
Corporate (incl. Communication)	-244	-350	0	-594
Costs that cannot be allocated	0	-64	0	-64
Net Cost of Services	-433	-717	0	-1,150
Other income and expenditure from the Exp and Inc Analysis	0	0	0	0
Difference between the General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	-433	-717	0	-1,150

1b NOTE ON INCOME AND EXPENDITURE ON A SEGMENTAL BASIS

Income Analysed by Segment		
	2018/19	2019/20
Fees, charges and other service income	(£'000)	(£'000)
Planning, Cultural Heritage and Land Management	-469	-503
Corporate (incl. Communication)	-1,846	-1,910
	-2,315	-2,413

Significant "non-cash" costs analysed by Segment							
	Planning, Cultural Heritage and Land Management		Corporate (including Communication)		Totals		
	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	
	Depreciation	104	126	464	465	568	591
Revaluation Loss	18	102	0	104	18	206	
Revenue expenditure funded from capital under statute	202	504	0	10	202	514	
* IAS 19 pension adjustment	311	383	362	434	673	817	
Employee accrual adjustment	8	10	11	13	19	23	
* Total	643	1125	837	1026	1480	2151	

* "IAS 19 pension adjustment" and "Total" figures for 2018/19 corrected

1c NOTE ON EXPENDITURE AND INCOME ANALYSED BY NATURE

Expenditure and Income Analysed by Nature		
The Authority's expenditure and income is analysed as follows :		
	2018/19	2019/20
Expenditure/Income	(£'000)	(£'000)
Expenditure		
Employee benefits expenses	4,632	5,011
Other services expenses	4,143	5,303
Non distributable costs	64	36
Depreciation, amortisation, impairment, revaluation losses	568	797
Revaluation gains against past revaluation losses	0	0
Total Expenditure	9,407	11,147
Income		
Fees, charges and other service income	-2,315	-2,413
Net interest on net defined benefit liability (IAS19 pension adjustment)	153	196
Interest and investment income	-38	-49
Government grants and contributions	-2,164	-3,988
Non specific grant income	-5,136	-6,219
Gain on disposal of assets	0	-58
Total income	-9,500	-12,531
Deficit on the Provision of Services	-93	-1,384

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

There are no standards that have an effect on the 2019/20 Statement of Accounts.

3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out on pages 11-21, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

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

4. ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

Those assumptions made by the Actuary relating to the pension fund are disclosed in note 36.

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions Liability (note 36)	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and, for the Local Government Pension Scheme, the expected return on pension fund assets.</p> <p>An assessment of the liabilities is provided by Hymans Robertson. Further information is provided within note 36.</p>	<p>Relatively small changes in the assumptions made can have a significant impact on the pension net liability. The pension net liability shown in the balance sheet will only become payable over the retirement period of current and retired employees, so adjustments to the liability can be spread over a number of years through changes in employee and employer contributions. Increases in employer contributions have a direct impact on the budget.</p> <p>The effect of the change in actuarial assumptions is</p>

		referred to in note 5 of the Narrative Report.
Property valuations (note 12)	<p>The Authority revalues its assets every 5 years. The last full valuation was undertaken in 2016-17. It is possible that property values could fluctuate considerably within this 5 years time frame. In this respect an annual review is undertaken by the Head of Finance and Head of Property to identify any interim valuations required.</p> <p>It bases its valuations on assumptions about asset conditions, useful lives, residual values and market conditions.</p> <p>These judgements are underpinned by the best available information and made by qualified valuers but are still based on estimates.</p>	A fluctuation in property values would impact on the values held in the Balance Sheet and on the corresponding depreciation charge.

5. MATERIAL ITEMS OF INCOME AND EXPENSE

The Authority received specific capital grants worth £1,858,540 in January 2020. £1,479,192 of this sum has been transferred to the Capital Grants Unapplied reserve.

£67k has been appropriated from the negative usable reserve denoted as "liability related to the pension reserve" and the employer pension contribution cost reduced by the corresponding amount in the Corporate Directorate net expenditure.

6. EVENTS AFTER THE BALANCE SHEET DATE

The Statement of Accounts have been approved for publication by the Chief Finance Officer as at 21 August 2020. Events after this date are not reflected in neither the financial statements nor the notes. Where events before this date provide information about the situation before 31st March 2020, the figures in the financial statement and notes have been adjusted in all material respects to show the effect of this information.

7. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

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

2019/20	Usable Reserves				Movement in Unusable Reserves
	General Fund Balance	Earmarked Reserves	Capital Receipts Reserves	Capital Grants Unapplied Reserve	
	£'000	£'000	£'000	£'000	£'000
ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL ADJUSTMENT ACCOUNT					
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement					
Charges for depreciation, impairment and revaluation losses on non-current assets	-591	0	0	0	-591
Losses on revaluation	-206	0	0	0	-206
Net book value of assets disposed of	-36	0	0	0	-36
Capital grants and contributions applied	525	0	0	0	525
Revenue Expenditure funded from capital under statute	-375	0	0	0	-375
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement					
Capital grants received in previous financial years and used in 2019/20	0	0	0	464	464
Capital expenditure charges against the General Fund	237	0	0	0	237
2018/19 surplus adjustment	13	-13	0	0	0
ADJUSTMENT PRIMARILY INVOLVING THE CAPITAL GRANTS UNAPPLIED ACCOUNT					
Capital grant received in 2018/19 and transferred to revenue in 2019/20	-22	0	0	22	0
Capital Grants and Contributions Unapplied credited to the Comprehensive Income and Expenditure Statement	1,553	0	0	-1,553	0
ADJUSTMENT PRIMARILY INVOLVING THE CAPITAL RECEIPTS RESERVE					
Capital receipts used in 2019/20	-1	0	24	0	23
Capital receipts in 2019/20 not utilised	35	0	-35	0	0
ADJUSTMENTS PRIMARILY INVOLVING THE PENSION RESERVE					
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	-1,680	0	0	0	-1,680
Employers Pension contributions and direct payments to pensioners payable in the year.	631	0	0	0	631
ADJUSTMENT PRIMARILY INVOLVING THE ACCUMULATED ABSENCES ACCOUNT					
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	-22	0	0	0	-22
TOTAL ADJUSTMENTS	61	-13	-11	-1,067	-1,030

2018/19	Usable Reserves				Movement in Unusable Reserves
	General Fund Balance	Earmarked Reserves	Capital Receipts Reserves	Capital Grants Unapplied Reserve	
	£'000	£'000	£'000	£'000	£'000
ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL ADJUSTMENT ACCOUNT					
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement					
Charges for depreciation, impairment and revaluation losses on non-current assets	-568	0	0	0	568
Losses on revaluation	-17	0	0	0	17
Estimated sale cost on "Asset Held For Sale" < 12 months	-2	0	0	0	2
Capital grants and contributions applied	16	0	0	0	-16
Revenue Expenditure funded from capital under statute	-202	0	0	0	202
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement					
Capital grant received in 2017/18 and transferred to revenue in 2018/19	-3	0	0	16	-13
Capital grant received in 2017/18 and used in 2018/19	0	0	0	122	-122
Capital expenditure charges against the General Fund	152	0	0	0	-152
ADJUSTMENT PRIMARILY INVOLVING THE CAPITAL GRANTS UNAPPLIED ACCOUNT					
Capital Grants and Contributions Unapplied credited to the Comprehensive Income and Expenditure Statement	191	0	0	-191	0
ADJUSTMENT PRIMARILY INVOLVING THE CAPITAL RECEIPTS RESERVE					
Capital receipts used in 2018/19	0	0	20	0	-20
ADJUSTMENTS PRIMARILY INVOLVING THE PENSION RESERVE					
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	-1,427	0	0	0	1,427
Employers Pension contributions and direct payments to pensioners payable in the year.	690	0	0	0	-690
ADJUSTMENT PRIMARILY INVOLVING THE ACCUMULATED ABSENCES ACCOUNT					
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	20	0	0	0	-20
TOTAL ADJUSTMENTS	-1,150	0	20	-53	1,183

8. TRANSFERS TO/FROM EARMARKED RESERVES

	Balance at 31 March 2018	Transfers out 2018/19	Transfers in 2018/19	Balance at 31 March 2019	Transfers out 2019/20	Transfers in 2019/20	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Earmarked Revenue & Capital reserves (approved as earmarked revenue and capital expenditure)	-783	789	-514	-508	499	-363	-372
Specific Risks Reserve (to meet probable budget pressures)	-442	169	-51	-324	0	-100	-424
Capital projects reserve (to fund one - off capital commitments)	-60	60	0	0	0	0	0
Planning Reserve (To meet costs of Public Inquiry)	-191	0	-34	-225	0	0	-225
Match Funding Revenue Reserve (For Convergence Fund Purposes)	-461	31	-364	-794	160	-429	-1,063
Match Funding Reserve - NRW (For Convergence Fund purposes)	-9	0	0	-9	9	0	0
Revenue Grants reserve	-518	318	-645	-845	256	-1,131	-1,720
Bequest reserve	-93	0	0	-93	93	0	0
Pen y Pass Income reserve (for facilities related to Snowdon)	-56	0	0	-56	0	0	-56
Section 106 reserve (for purposes related to affordable housing)	-160	0	-70	-230	0	-10	-240
Projects reserve	0	0	-393	-393	297	-309	-405
Asset Management reserve	0	0	-305	-305	71	0	-234
Staff Resilience reserve	0	0	-100	-100	0	-20	-120
Commercial Risk reserve	0	0	-120	-120	20	0	-100
* Liability relating to the Pension Reserve	134	0	-67	67	0	-67	0
	-2,639	1,367	-2,663	-3,935	1,405	-2,429	-4,959
Other Reserves							
General Fund	-400	131	-78	-347	0	-312	-659
Capital :							
Capital Grants Unapplied	-1,137	139	-192	-1,190	824	-1891	-2,257
Usable Capital Receipts reserve (to only finance capital expenditure)	-173	20	0	-153	124	-135	-164
	-4,349	1,657	-2,933	-5,625	2,353	-4,767	-8,039

* Liability Relating to the Pension Reserve

In 2017/18 the Authority paid employer pension contributions for the three years 2017/18 – 2019/20 to the Pension Fund. The Actuary has reflected the whole contribution in his IAS19 statement for 2017/18. To avoid double counting (by showing the 2018/19 and 2019/20 elements of the employer pension contribution as

a payment in advance under Debtors), the £134k cost for the remaining two years was placed in this reserve. £67k was utilised in both 2018/19 and 2019/20 thereby clearing the reserve.

9. OTHER OPERATING EXPENDITURE

2018/19		2019/20
£'000		£'000
0	Gains/losses on disposal of non-current assets	-58

10. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

2018/19		2019/20
£'000		£'000
153	Net interest on the net defined benefit liability (asset)	196
-38	Interest receivable and similar income	-50
115	Total	146

11. NON-SPECIFIC GRANT INCOME

2018/19		2019/20
£'000		£'000
-3,745	National Park Grant	-3,745
-1,183	Levies on Constituent Authorities	-1,248
-208	Capital Grants and Contributions	-1,226
-5,136	Total	-6,219

12. PROPERTY PLANT AND EQUIPMENT

Movement on Balances

2019/20	Land and Buildings £'000	Vehicles, Plant & Equipment £'000	Community £'000	Surplus Assets £'000	Assets under Construction £'000	Total £'000
Cost or valuation						
At 1 April 2019	18,701	1,742	108	0	0	20,551
Additions	384	341	0	0	147	872
Disposals	0	-132	0	0	0	-132
Revaluation loss to the CIES	-204	0	0	0	0	-204
Revaluation loss to the Revaluation Reserve	-179	0	0	0	0	-179
At 31 March 2020	18,702	1,951	108	0	147	20,908
Accumulated Depreciation and Impairments						
At 1 April 2019	-1,336	-1,497	0	0	0	-2,833
Depreciation	-455	-124	0	0	0	-579
Disposals	0	128	0	0	0	128
At 31 March 2020	-1,791	-1,493	0	0	0	-3,284
Net Book Value at 31 March 2020	16,911	458	108	0	147	17,624
Net Book Value at 31 March 2019	17,365	245	108	0	0	17,718

2018/19	Land and Buildings £'000	Vehicles, Plant & Equipment £'000	Community £'000	Surplus Assets £'000	Assets under Construction £'000	Total £'000
Cost or valuation						
At 1 April 2018	18,702	1,689	108	8	10	20,517
Additions	25	78	0	0	0	103
De-recognition						0
Disposals	0	-35	0	0	0	-35
Re-classification : Surplus asset to Asset Held For Sale (less than 12 months)	0	0	0	-8	0	-8
Re-classification : Assets under construction to operational assets	0	10	0	0	-10	0
Revaluation loss to the CIES	-14	0	0	0	0	-14
Revaluation loss to the Revaluation Reserve	-12	0	0	0	0	-12
At 31 March 2019	18,701	1,742	108	0	0	20,551
Accumulated Depreciation and Impairments						
At 1 April 2018	-882	-1,431	0	0	0	-2,313
Depreciation	-454	-103	0	0	0	-557
De-recognition	0	2	0	0	0	2
Disposals	0	35	0	0	0	35
At 31 March 2019	-1,336	-1,497	0	0	0	-2,833
Net Book Value at 31 March 2019	17,365	245	108	0	0	17,718
Net Book Value at 31 March 2018	17,820	258	108	8	10	18,204

Depreciation

Depreciation of fixed assets is charged on a straight line basis to write off their cost less any projected residual value in equal instalments over the expected useful life of the asset using the following bases:-

- Operational Land & Property : between 10 – 60 years
- Community Assets : nil
- Information Systems Equipment : 3 years

Vehicles	: over 7 years to nil value.
Furniture & Other Equipment	: estimated operational life

Revaluations

There were no revaluations during 2019/20, other than assessments on those capital expenditures which did not increase the book value of a property.

Capital Commitments

The only capital commitments on tendered contracts the Authority have as at 31/3/2020 are :

- Dolgellau Heritage Townscape Scheme – £201k (31/3/2019 - £143k).
- Purchase of vehicle for the Dark Skies scheme – £29k
- Data Lidar scheme (Carneddau) - £46k

13. HERITAGE ASSETS

The Authority's classification of tangible heritage assets relates to :

- **Ynys y Pandy Slate Mill** - a listed building with no operational use, and removed from the land and buildings valuation in 2011/12 due to being below the de-minimis level.
- **Craig Yr Aderyn** - a Site of Special Scientific Interest and retained for its environmental qualities. Valuation at "existing use value"
- **Yr Ysgwrn** - home of the poet Hedd Wyn having been purchased to protect its cultural heritage. Main house valued at "depreciated replacement cost" and bungalow at "existing use value" (using the "investment method")

2019/20	Ynys y	Craig yr	Ysgwrn	Total
	Pandy Slate Mill	Aderyn		
	£'000	£'000	£'000	£'000
Cost or valuation				
1 April 2019	0	28	818	846
Additions	0	0	2	2
Revaluation loss to the CI&ES	0	0	-2	-2
Revaluation loss to the Revaluation Reserve	0	0	0	0
31 March 2020	0	28	818	846
Depreciation and Impairment				
1 April 2019	0	0	-24	-24
Depreciation	0	0	-12	-12
31 March 2020	0	0	-36	-36
Net Book Value at 31 March 2020	0	28	782	810
Net Book Value at 31 March 2019	0	28	794	822

2018/19	Ynys y	Craig yr	Ysgwrn	Total
	Pandy Slate Mill	Aderyn		
	£'000	£'000	£'000	£'000
Cost or valuation				
1 April 2018	0	28	818	846
Additions	0	0	6	6
Revaluation loss to the CI&ES	0	0	-4	-4
Revaluation loss to the Revaluation Reserve	0	0	-2	-2
31 March 2019	0	28	818	846
Depreciation and Impairment				
1 April 2018	0	0	-13	-13
Depreciation	0	0	-11	-11
31 March 2019	0	0	-24	-24
Net Book Value at 31 March 2019	0	28	794	822
Net Book Value at 31 March 2018	0	28	805	833

14. ASSETS HELD FOR SALE

As at 31st March 2020 there were no assets held for sale. (Maes Newyddion was recognised as an Asset held for Sale at £32,800 on 31st March 2019).

15. SHORT TERM INVESTMENTS

As at 31st March 2020 the Authority held term deposits worth £5,468k. (£3,897k as at 31st March 2019).

16. INVENTORIES

Stocks are brought into account at cost price. Stocks held on 31st March 2020 consisted of :-

		Balance as at 31/3/2019 £'000	Balance as at 31/3/2020 £'000
Information Centres	Goods for resale	76	79
Access	Snowdon maps	5	4
	Stones and Bags	14	16
Plas Tan y Bwlch	Bar	3	2
	Goods for resale	8	7
	Catering and cleaning	2	3
Administration and Customer Care	Protective Clothing	4	4
Agriculture	Trees	8	10
Ysgwrn	Café and shop goods	5	3
Pen y Pass	Goods for resale	2	2
Llyn Tegid	Goods for resale	1	1
Total		128	131

17. DEBTORS

2018/19 £'000		2019/20 £'000
	Amounts falling due within one year :	
138	Trade	332
92	Prepayments	137
684	Other	1,335
914		1,804
	LONG TERM DEBTORS (amounts falling due after on year)	
41	Car loans to employees	37
41		37

18. CASH AND CASH EQUIVALENTS

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

31 March 2019		31 March 2020
£'000		£'000
68	Cash held by the Authority	3
728	Bank current accounts	1,051
3,052	Short-term deposits with banks	1,587
3,848	Total Cash and Cash Equivalents	2,641

19. CREDITORS

2018/19		2019/20
£'000		£'000
-1,165	Trade	-742
-1,768	Other	-1,019
-2,933		-1,761
	LONG TERM CREDITORS (amounts payable after one year)	
-392	Grants received in advance	-430
-392		-430

The £430k under Long Term Creditors represents :

- £400k ERAMMP grant.
- £24k contributions relating to the Dark Skies project.
- £6k contribution relating to the LIFE scheme – Celtic Rainforests

20. USABLE RESERVES

Movements in the Authority's usable reserves are as noted in the Movement in Reserves Statement (and note 8).

21. UNUSABLE RESERVES

2018/19		2019/20
£'000		£'000
-8,809	Revaluation Reserve	-8,424
-9,788	Capital Adjustments Account	-10,035
7,752	Pensions Reserve	4,589
154	Accumulated Absences Account	177
-10,691		-13,693

THE REVALUATION RESERVE

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment (and Intangible Assets). The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost,
- Used in the provision of services and the gains are consumed through depreciation, or
- Disposed of and the gains are realised

The reserve contains only revaluation gains accumulated since 1st April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2018/19 £'000		2019/20 £'000
-8,977	Balance at 1st April	-8,809
-28	Upward revaluation of assets	0
14	Downward revaluation of assets and impairment losses not charged to the Surplus / Deficit on the Provision of Services	214
-14	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	214
182	Depreciation on revaluation gains written off to the Capital Adjustment	171
-8,809	Balance at 31st March	-8,424

CAPITAL ADJUSTMENT ACCOUNT

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1st April 2007, the date that the Revaluation reserve was created to hold such gains.

Note 8 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation reserve.

2018/19 £'000		2019/20 £'000
-10,073	Balance at 1st April	-9,788
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement :	
568	Charges for depreciation and impairment of non-current assets	591
17	Revaluation losses on Property, Plant and Equipment	206
0	Book value of equipment disposals	3
202	Revenue Expenditure Funded from capital under statute	375
2	Estimated cost of sale of an "asset held for sale"	-2
-9,284	Adjusting amounts written out of the Revaluation Reserve	-8,615
-181	Depreciation adjustment	-171
-9,465	Net written out amount of the cost of non-current assets consumed in the year	-8,786
	Capital financing applied in the year :	
-20	Use of capital receipts to finance new capital expenditure	-23
-16	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	-525
-13	Capital grant converted to revenue	0
-123	Application of grants to capital financing from the Capital Grants Unapplied Reserve	-464
-151	Capital expenditure charged against the General Fund balances	-237
-9,788	Balance at 31st March	-10,035

PENSIONS RESERVE

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

2018/19 £'000		2019/20 £'000
5,352	Balance at 1 April	7,752
1,663	Actuarial gains / losses on pensions assets and liabilities	-4,212
1,427	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	1,680
-690	Employer's pension contributions and direct payments to pensioners payable in the year.	-631
7,752	Balance at 31 March	4,589

ACCUMULATED ABSENCES ACCOUNT

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

2018/19		2019/20
£'000		£'000
174	Balance at 1 April	154
-174	Settlement or cancellation of accrual made at the end of the preceding year.	-154
154	Amounts accrued at the end of the current year	177
-20	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	23
154	Balance at 31 March	177

22. CASH FLOW STATEMENT – OPERATING ACTIVITIES

The “adjustments to net surplus or deficit on the provision of services for non-cash movements” comprises of :

2018/19		2019/20
£'000		£'000
-568	Depreciation and impairment	-591
-18	Revaluation losses on Property Plant & Equipment	-207
0	Revaluation gains against past losses	-36
-2	Estimated cost of "asset held for sale"	0
-1,508	Movement in creditors	1,168
256	Movement in debtors	688
2	Movement in stock	3
-737	Provision of Services costs for post employment benefits	-1,049
-2,575		-24

The cash flows from operating activities includes bank interest received of £48k (£36k in 2018/19).

23. CASH FLOW STATEMENT – INVESTING ACTIVITIES

2018/19		2019/20
£'000		£'000
109	Purchase of property, plant and Equipment, investment property and intangible assets	874
-2	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-95
3,595	Proceeds from short term and long term investments	1,571
-217	Other receipts from investing activities	-1,196
3,485	Net cash flows from investing activities	1,154

24. CASH FLOW STATEMENT – FINANCING ACTIVITIES

2018/19		2019/20
£'000		£'000
	Car loan repayments and related interest	
-25	together with finance lease interest	-23
19	New car loans advanced	18
-6	Net cash flows from investing activities	-5

25. MEMBERS ALLOWANCES

The Authority paid the following amounts to members of the Authority during the year.

The allowances paid to members were:-

2018/19		2019/20
£'000		£'000
82	Members Allowances	80
11	Travel & Subsistence	11
93		91

Further information is available on the Authority's website. See the following link :

[HTTPS://WWW.SNOWDONIA.GOV.WALES/AUTHORITY/PUBLICATIONS/MEMBER-ALLOWANCES](https://www.snowdonia.gov.wales/authority/publications/member-allowances)

26. STAFF REMUNERATION

Regulation 7A of The Accounts and Audit (Wales) Regulations 2010 requires disclosures of employees' remuneration.

The Accounts and Audit (Wales) Regulations 2014 require the Authority to disclose a remuneration ratio between the median remuneration of all the authority's employees during the year and that of the authority's chief executive.

2018/19		2019/20
(£'000)		(£'000)
86	Chief Executive Officer	88.1
20.5	SNPA Median Salary	21.2
4.2	Ratio	4.16

The remuneration paid to the Authority's senior employees is as follows:

2018/19				2019/20		
Salary	Employer Pension Contribution	Total		Salary	Employer Pension Contribution	Total
£'000	£'000	£'000		£'000	£'000	£'000
86	17	103	Chief Executive Officer	88	17	105
6	2	8	Chief Finance Officer (Section 151)*	6	2	8
61	12	73	Director of Corporate Services	62	12	74
61	12	73	Director of Planning and Land Management Services	62	12	74

* The Chief Finance Officer is also Gwynedd Council's Head of Finance, this relationship has been disclosed under note 29 – Related Parties.

In 2019/20 no other employees received a salary sum of over £60k. (nor in 2018/19).

Termination Benefits

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

exit package cost band	number of compulsory redundancies		number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20
£'000							£'000	£'000
0-40	0	0	2	0	2	0	65	0
40- 60	0	0	0	0	0	0	0	0
60 - 80	0	0	0	0	0	0	0	0
80 - 100	0	0	0	0	0	0	0	0
100 - 150	0	0	0	0	0	0	0	0
Total	0	0	2	0	2	0	65	0

27. EXTERNAL AUDIT COSTS

The Wales Audit Office audit plan stipulates the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Authority's external auditors :-

2018/19 £'000	Regulatory area	2019/20 £'000
28	Fees payable to the Wales Audit Office with regard to external audit services carried out by the appointed auditor	28
17	Fees payable to the Auditor General for Wales in respect of statutory inspections and the LG Measure 2009	17
45	Total	45

Figures as noted in the Annual Audit Plan 2020.

28. GRANT INCOME

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2019/20.

2018/19 £'000		2019/20 £'000
	REVENUE GRANTS	
	Credited to Services	
	Planning and Land Management	
52	Natural Resources Wales	68
16	National Trust	12
10	RSPB	11
568	LIFE	364
898	Welsh Government	2,234
8	Local Authorities	93
286	Heritage Lottery Fund	199
7	Welsh Water	13
10	Woodland Trust	10
56	National Grid	232
0	WCVA	21
52	Other	5
1963		3,262
	Corporate	
249	Welsh Government	0
0	Other	20
0		20
2,212	Total Revenue Grants	3,282

2018/19 £'000		2019/20 £'000
	CAPITAL GRANTS	
	Credited to non-specific grant income	
	Planning and Land Management	
16	Heritage Lottery Scheme	18
0	Welsh Government	366
16		384
	Corporate (including Communication)	
191	Welsh Government	842
191		842
207	Sub-total	1,226
	Credited to Services	
	Planning and Land Management	
0	Welsh Government	802
0	CADW	20
0	Natural Resources Wales	25
0	British Mountaineering Council	45
89	Heritage Lottery Fund	91
89	Sub-total	983
	Corporate	
0	Welsh Government (TAIS)	8
0		8
	Capital Grants received in advance - used in 2019/20	
123	Welsh Government	464
123	Sub-total	464
419	Total Capital Grants	2,681

29. RELATED PARTIES

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

The Authority has adopted a materiality level of £5k for disclosure of Related Party Transactions relevant to Members and Staff.

Welsh Government

The Welsh Government exerts significant influence through legislation and grant funding. The relevant sums are disclosed in notes 11 ("non-specific grant income") and 28 ("grant income").

Members

Members of the Authority have direct control over the Authority's financial and operating policies. Details of members' interests are recorded in the Register of Members' interests, open to public inspection at the Authority's offices during working hours. The total of members' allowances paid in 2019/20 is shown in note 26.

2 Members are associated with bodies that have received funding from the Authority during 2019/20 namely :

The Outdoor Partnership	£30,000
Conwy Language Scheme	£27,439

An annual contribution of £20k has been made by the Authority to The Outdoor Partnership in 2018/19 and 2019/20. The timing of payments meant that £10k was paid in 2018/19 and a further £30k in 2019/20.

Other Public Bodies

The Constituent Local Authorities within whose boundaries the Authority's own boundary runs, contribute to the finances of the Authority by means of a statutory levy, determined by the Welsh Assembly Government. Each of these authorities provides a number of councillors to serve as members of the National Park Authority, broadly in proportion to the size of the levy they contribute and their area within the National Park. The representation of the 18 members of Snowdonia National Park Authority is as follows - Gwynedd Council (9), Conwy Council (3) and Welsh Government (6). Further detail is available from the Authority agenda for the Annual General Meeting held in June each year.

Grants for specific purposes are also received from or via local authorities and the total of these is shown in note 28.

Officers

The Authority's Chief Finance Officer has declared an interest as he is Gwynedd Council's Head of Finance. The Authority received circa £1.1m (including the levy) from Gwynedd Council in 2019/20 (£941k in 2018/19)

Entities controlled or significantly influenced by the Authority

The Authority gives grants for specific purposes to organisations under the Eryri Partnerships Fund but it is not considered that the Authority has control, joint control or significant influence over the entities assisted.

The Authority had contracts with Gwynedd Council to provide the following services during 2019/20:

- Pension Fund administration & Payroll Support Service (£4,833)
- Internal audit Service (£7,025)

The Authority has an interest in a Limited Liability Partnership (National Parks Partnership) together with 13 other UK National Park Authorities for the purpose of generating income mainly from sponsorship. A charitable body has been

established which is ancillary to the National Parks Partnership for the purpose of raising monies for the national parks.

30. CAPITAL EXPENDITURE AND CAPITAL FINANCING

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it.

2018/19 £'000		2019/20 £'000
0	Opening Capital Financing Requirement	0
	Capital Investment	
	Property, Plant & Equipment	
	Planning and Land Management	
20	Ysgwrn	23
11	Pen y Pass & Llyn Tegid	1
0	Vehicles for wardens	67
0	Lidar scheme (Carneddau)	1
0	Vehicle - LIFE scheme	13
0	Vehicle (Planning)	23
0	Boat (Llyn Tegid)	14
0	Mulching Equipment	61
0	Equipment for Access works	106
0	Planning System	16
31		325
	Corporate (including Communication)	
0	New website	1
0	Dol Idris (TAIS scheme)	77
0	Ogwen Centre (TAIS scheme)	78
0	Nant Peris (TAIS scheme)	45
0	Visitor Monitoring Equipment	15
11	Car Parks Vehicle	0
24	I.T. General Replacement programme	31
20	Plas Tan y Bwlch mini bus	0
	Plas Tan y Bwlch improvements	18
23	Compactor Bins	0
0	Electricity charging points	5
0	Water Refill Stations	3
0	Main Offices Heating System	85
0	Hafod Eryri	83
0	Translation Equipment	10
	Betws y Coed Information Centre	8
	Energy Efficiency Measures (grant scheme)	82
0	Snowdon Partnership Scheme	8
78		549
109		874
	Revenue expenditure funded from capital under Statute	
	Planning, Cultural Heritage and Land Management	
23	Built Environment schemes	0
136	Dolgellau Townscape Heritage Scheme	146
8	Caer Gai	64
67	St Davids Hotel	257
0	Works related to Ogwen (TAIS scheme)	11
54	Access Improvements	37
288		515
397	Total Expenditure	1,389
	Sources of Finance	
294	Government Grants and other Contributions	2,218
123	Grant received in 2017/18 and 2018/19 applied in 2019/20	464
-191	Grant received in advance in 2019/20	-1,553
20	Capital Receipt applied	23
151	Sums set aside from revenue: Direct revenue contributions	237
397		1,389
	Closing capital financing requirement	
0	Increase/decrease in Capital Financing Requirement	0

From the total spend of £1,389k (£397k in 2018/19), £515k (£288k in 2018/19) relates to expenditure on fixed assets not owned by the Authority. The relevant grants and

contributions finance amounts to £140k (£86k in 2018/19). The net revenue expenditure funded from capital under statute is therefore £375k (£202k in 2018/19).

31. LEASES

AUTHORITY AS LESSEE

Finance Leases The Authority as lessee has no finance leases.

Operating Leases The Authority has operating leases relating to vehicles, photocopiers and franking machines.

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

31 March 2019		31 March 2020
£'000		£'000
125	Not later than 1 year	111
306	Later than 1 year and not later than 5 years	246
11,128	Later than 5 years	11,058
11,559	Total	11,415

Lease costs of £34,613 (£21,022 in 2018/19) on **equipment** were charged to the Corporate Directorate within the Comprehensive Income and Expenditure Statement during the year.

Lease costs of £7,293 (£7,396 in 2018/19) on **Authority vehicles** were charged to the Corporate Directorate in the Comprehensive Income and Expenditure Statement during the year.

Lease costs of £90,476 (£90,706 in 2018/19) on **properties** were charged to Corporate (£60,151) and Planning and Land Management (£30,326) in the Comprehensive Income and Expenditure Statement during the year.

The terms of the lease agreement for Cae Llan change in 2021, however, the effect is not quantifiable as the terms will be determined at that time. For the purposes of this Statement it is assumed that there is no significant change in annual cost.

AUTHORITY AS LESSOR

Finance Leases

As at 31st March 2020 the Authority has no finance lease as lessor.

Operating Leases

The Authority leases out property under operating leases for the following purposes: commercial, ground rents on chalets at Plas Tan y Bwlch, office accommodation, grazing and recreational/access.

The income receivable for 2019/20 was £141,122 (£154,971 2018/19). The reduction due to less income at Plas Tan y Bwlch.

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

31 March 2019		31 March 2020
£'000		£'000
131	Not later than 1 year	52
424	Later than 1 year and not later than 5 years	471
65,853	Later than 5 years	75,887
66,408	Total	76,410

The figure for 2020/21 includes the reduction given due to the effect of COVID -19. Figures are subject to the effect of rent reviews, and income generated and also the number of visitors for Hafod Eryri. The Hafod Eryri rental has been projected on the average of 2018/19 and 2019/20 figures, which is the reason for the increase in the total figure.

The associated depreciation charge on the assets relevant to operating leases is £37,569 (2018/19 £37,569).

32. IMPAIRMENT LOSSES

There were no impairment losses arising on property, plant and equipment during 2019/20

33. CONTINGENT LIABILITIES

At 31st March 2020 the Authority had the following material contingent liability:

Although the Authority was successful in High Court proceedings in relation to the ability of the owner of Hillside, Aberdyfi to implement a historical planning permission, the owner is now in the process of appealing the decision to the Court of Appeal. If unsuccessful the Authority will face a costs order for the Appellant's costs as well as its own costs. The total costs liability are difficult to ascertain at this stage as they are dependent on whether or not the Authority is successful in defending its position.

34. CONTINGENT ASSETS

At 31st March 2020 the Authority had no material contingent assets.

35. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Authority's activities can expose it to a variety of financial risks:

- **Credit risk** – the possibility that other parties might fail to pay amounts due to the Authority,
- **Liquidity risk** – the possibility that the Authority might not have funds available to meet its commitments to make payments,
- **Market risk** – the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates. Changes in the foreign exchange rate can constitute a significant risk within the Celtic Rainforest (LIFE) project.

The above risks were managed through the Authority's debt recovery arrangements and Annual Treasury Management Strategy, with no significant negative impacts in 2019/20. The value of the Authority's financial instruments is the same as their fair value.

36. PENSION FUND

PARTICIPATION IN PENSION SCHEMES

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

The Authority participates in two post-employment schemes:

- The Local Government Pension Scheme, administered locally by Gwynedd Council – this is a funded defined benefit final salary scheme, meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- Discretionary post-retirement benefits upon early retirement. This is an unfunded defined benefit arrangement under which liabilities are recognised when awards have been made. No investment assets were built up to meet these pensions liabilities, and cash has to be generated to meet the actual pensions payments as they fall due. The Authority has an annual liability based on past awards made under these arrangements, but has not added to that liability in recent years. Rather, any extra pension liability ensuing from granting early retirement is recognised and paid off in that specific year.

TRANSACTIONS RELATING TO POST-EMPLOYMENT BENEFITS

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

CHANGE IN THE FAIR VALUE OF PLAN ASSETS, DEFINED BENEFIT OBLIGATIONS AND NET LIABILITY FOR THE YEAR ENDED 31ST MARCH 2020.

Period ended 31 March 2020	Assets	Obligations	Net (liability) / asset
	£'000	£'000	£'000
Fair Value of employer assets	35,421	0	35,421
Present value of funded liabilities	0	42,756	(42,756)
Present value of unfunded liabilities	0	417	(417)
Opening position as at 31 March 2019	35,421	43,173	(7,752)
Service cost			
- Current service cost *	0	1,448	(1,448)
- Past Service Cost (including curtailments)	0	36	(36)
Total Service Cost		1,484	(1,484)
Net interest			
- Interest income on plan assets	852	0	852
- Interest cost on defined benefit obligation	0	1,048	(1,048)
Total Net Interest	852	1,048	(196)
Total defined benefit cost recognised in Profit or (Loss)	852	2,532	(1,680)
Cashflows			
- Plan participants' contributions	198	198	0
- Employer contributions	603	0	603
- Contributions in respect of unfunded benefits	28	0	28
- Benefits paid	(804)	(804)	0
- Unfunded benefits paid	(28)	(28)	0
Expected closing position	36,270	45,071	(8,801)

Remeasurements			
- Change in demographic assumptions	0	(1,447)	1,447
- Change in financial assumptions	0	(3,450)	3,450
- Other experience	0	(3,370)	3,370
- Return on assets excluding amounts included in net interest	(4,055)	0	(4,055)
Total remeasurements recognised in Other Comprehensive Income (OCI)	(4,055)	(8,267)	4,212
Fair value of employer assets	32,215	0	32,215
Present value of funded liabilities	0	36,436	(36,436)
Present value of unfunded liabilities	0	368	(368)
Closing position as at 31 March 2020	32,215	36,804	(4,589)

- The current service cost includes an allowance for administration expenses of 0.5% of payroll

This liability comprises of approximately £368k in respect of LGPS unfunded pensions and £0 in respect of Teachers' unfunded pensions. For unfunded liabilities as at 31st March 2020, it is assumed that all unfunded pensions are payable for the remainder of the member's life. It is further assumed that 90% of pensioners are married (or cohabiting) at death and that their spouse (or cohabitee) will receive a pension of 50% of the member's pension as at the date of the member's death.

CHANGE IN THE FAIR VALUE OF PLAN ASSETS, DEFINED BENEFIT OBLIGATIONS AND NET LIABILITY FOR THE YEAR ENDED 31ST MARCH 2019.

Period ended 31 March 2019	Assets	Obligations	Net (liability) / asset
	£'000	£'000	£'000
Fair Value of employer assets	32,666	0	32,666
Present value of funded liabilities	0	37,596	(37,596)
Present value of unfunded liabilities	0	422	(422)
Opening position as at 31 March 2018	32,666	38,018	(5,352)
Service cost			
- Current service cost *	0	1,210	(1,210)

- Past Service Cost (including curtailments)	0	64	(64)
Total Service Cost	0	1,274	(1,274)
Net interest			
- Interest income on plan assets	882	0	882
- Interest cost on defined benefit obligation		1,035	(1,035)
Total Net Interest	882	1,035	(153)
Total defined benefit cost recognised in Profit or (Loss)	882	2,309	(1,427)
Cashflows			
- Plan participants' contributions	192	192	0
- Employer contributions	663	0	663
- Contributions in respect of unfunded benefits	(27)	(27)	0
- Benefits paid	(786)	(786)	0
- Unfunded benefits paid	27	0	27
Expected closing position	33,617	39,706	(6,089)
Remeasurements			
- Change in demographic assumptions	0	0	0
- Change in financial assumptions	0	3,460	(3,460)
- Other experience	0	7	(7)
- Return on assets excluding amounts included in net interest	1,804	0	1,804
Total remeasurements recognised in Other Comprehensive Income (OCI)	1,804	3,467	(1,663)
Fair value of employer assets	35,421	0	35,421
Present value of funded liabilities	0	42,756	(42,756)
Present value of unfunded liabilities	0	417	(417)
Closing position as at 31 March 2019	35,421	43,173	(7,752)

- The current service cost includes an allowance for administration expenses of 0.5% of payroll

INFORMATION ABOUT THE DEFINED BENEFIT OBLIGATION

	Liability split		Weighted Average Duration at Previous Valuation
	£'000	Percentage (%)	
Active members	2,788	75	52
Deferred members	262	7	50
Pensioner members	645	18	67
Total	3,695	100	

(Figures are for funded obligations only and do not include the unfunded pensioner liabilities. The durations are effective as at the previous formal valuation as at 31st March 2016).

SCHEME HISTORY

	2015/16	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000	£'000
Present value of liabilities in the Local Government Pension Scheme	(31,775)	(37,044)	(38,018)	(43,173)	(36,804)
Fair Value of Assets in the Local Government Pension Scheme	26,022	31,283	32,666	35,421	32,215
Surplus / (deficit) in the scheme :	(5,753)	(5,761)	(5,352)	(7,752)	(4,589)

The liabilities show the underlying commitments that the Authority has in the long run to pay post-employment (retirement) benefits. The total liability of £36,804k has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet i.e. reducing it by £4,589k. Statutory provisions for funding the deficit mean that the financial position of the Authority remains healthy :

- the deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees (i.e. before payments fall due), as assessed by the scheme actuary,
- finance is only required to be raised to cover discretionary benefits when the pensions are actually paid.

The total contributions by the Authority, as estimated by the Actuary, for the year to 31st March 2020 is £631k. The Actuary estimates employers contributions for the period to 31st March 2021 at £612k.

The Discretionary Benefits arrangements have no assets to cover its liabilities. The Local Government Pension Scheme's assets consist of the following categories, by proportion of the total assets held :

31 March 2019		31 March 2020
(%)		(%)
73	Equity investments	73
15	Debt investments (bonds)	17
9	Property	10
3	Cash	0
100		100

THE MAJOR CATEGORIES OF PLAN ASSETS AS A PERCENTAGE OF TOTAL PLAN ASSETS

The actuary has provided a detailed breakdown of Fund assets in accordance with the requirements of IAS19. This analysis distinguishes between the nature and risk of those assets and to further break them down between those with a quoted price in an active market and those that do not. The asset split for Snowdonia National Park Authority is assumed to be in the same proportion to the Fund's asset allocation as at 31st December 2019. The split is shown in the following table. The actuary estimates the bid value of the Fund's assets as at 31st March 2020 to be £32,215k based on information provided by the Administering Authority and allowing for index returns where necessary.

FAIR VALUE OF EMPLOYER ASSETS

The asset values below are at bid value as required under IAS19.

Asset category	31 Mar 2020				31 Mar 2019			
	Quoted prices in active markets	Prices not quoted in active markets	Total	%	Quoted prices in active markets	Prices not quoted in active markets	Total	%
	(£'000)	(£'000)	(£'000)		(£'000)	(£'000)	(£'000)	
Equity Securities :								
Consumer	0	0	0	0	881.5	0	881.5	2
Manufacturing	0	0	0	0	1,060.4	0	1,060.4	3
Energy & Utilities	0	0	0	0	0	0	0	0
Financial Institutions	0	0	0	0	413.4	0	413.4	1
Health & Care	0	0	0	0	2,264.8	0	2,264.8	6
Information Technology	0	0	0	0	619.6	0	619.6	2
Other	0	0	0	0	1,202.7	0	1,202.7	3
Debt Securities :								
Other	0	0	0	0	0	5,146.9	5,146.9	15
Private Equity :								
All	0	1,872.6	1,872.6	6	0	1,922.9	1,922.9	5
Real Estate :								
UK Property	0	3,175.3	3,175.3	10	1,126.3	2,112.4	3,238.7	9

Overseas Property	0	3.8	3.8	0	0	18.8	18.8	0
Investment Funds & Unit Trusts :								
Equities	0	21,604.2	21,604.2	67	6,891.6	10,151.3	17,042.9	48
Bonds	0	0	0	0	0	0	0	0
Infrastructure	0	740.8	740.8	2	0	697.3	697.3	2
Other	0	4,658.7	4,658.7	14	0	0	0	0
Cash & Cash Equivalents								
All	159.6	0	159.6	0	911.1	0	911.1	3
Totals	159.6	32,055	32,215	100	15,371	20,050	35,421	100

BASIS FOR ESTIMATING ASSETS AND LIABILITIES

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc., Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Hymans Robertson, an independent firm of actuaries, estimates for the Authority Fund being based on the latest full valuation of the scheme as at 31st March 2019.

The principal assumptions used by the actuary have been :

	Local Government Pension Scheme	
	2019/20	2018/19
Long term expected rate of return on assets in the scheme :		
Equity	2.3%	2.4%
Bonds	2.3%	2.4%
Property	2.3%	2.4%
Cash	2.3%	2.4%
Mortality Assumptions :		
Longevity at 65 for current pensioners :		
• Men	21.3 years	22 years
• Women	23.4 years	24.2 years
Longevity at 65 for future pensioners :		
• Men	22.2 years	24 years
• Women	25.1 years	26.4 years
Rate of inflation (CPI)	1.9%	2.5%
Rate of increase in salaries	2.2%	2.5%
Rate of increase in pensions	1.9%	2.5%
Rate for discounting scheme liabilities	2.3%	2.4%
Take up of option to convert annual pension into retirement lump sum	50% pre 1/4/2008 service and 75% post 1/4/2008 service.	50% pre 1/4/2008 service and 75% post 1/4/2008 service.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. In order to quantify the impact of a change in the financial assumptions used, the actuary has calculated and compared the value of the scheme liabilities as at 31st March 2020 on varying bases. The approach taken is consistent with that adopted to derive the IAS19 figures provided in this note.

To quantify the uncertainty around life expectancy, the actuary has calculated the difference in cost to the Authority of a one year increase in life expectancy. For sensitivity purposes this is assumed to be an increase in the cost of benefits of broadly 3-5%. In practice the actual cost of one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages). The figures in the table below have been derived based on membership profile of the Authority as at 31st March 2019, the date of the most recent actuarial valuation. The approach taken in preparing the sensitivity analysis shown is consistent with that adopted in the previous year.

Impact on the Defined Benefit Obligation in the Scheme		
Change in assumption	Approximate increase to Employer 31 March 2020	Approximate monetary amount 31 March 2020
	(%)	(£'000)
0.5% decrease in real discount rate	10%	3,731
0.5% increase in salary increase rate	1%	448
0.5% increase in the pension increase rate	9%	3,246

PROJECTED DEFINED BENEFIT COST FOR THE PERIOD TO 31ST MARCH 2021

	Assets	Obligations	Net (liability) / asset	
	£'000	£'000	£'000	% of pay
Projected Current Service Cost*	0	1,078	(1,078)	(34.9%)
Past Service Cost including curtailments	0	0	0	0
Effect of settlements	0	0	0	0
Total Service Cost	0	1,078	(1,078)	(34.9%)
Interest income on plan assets	741		741	23.9%
Interest cost on defined benefit obligation		852	(852)	(27.5%)
Total Net Interest Cost	741	852	(111)	(3.6%)
Total Included in Profit and Loss	741	1,930	(1,189)	(38.5%)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll. The monetary value is based on a projected payroll of £3,094k.

The contributions paid by the Employer are set by the Fund Actuary at each triennial actuarial valuation (the most recent being as at 31st March 2019), or at any other time as instructed to do so by the Administering Authority.

The McCloud Judgement

The Gwynedd Fund's salary growth assumption at the 2016 valuation were equal to the Consumer Price Index (CPI) and therefore, in 2018/19, no allowance was made for the McCloud/Sargeant judgements. But at the 2019 valuation, the salary increase assumption was increased above CPI, therefore Snowdonia National Park Authority have now recognised a liability for the McCloud/Sargeant judgements for the first time in their 2019/20 accounts. The approximate impact of this judgement has been included within the past service cost figure that is reported within the surplus/deficit on the provision of services in the Comprehensive Income and Expenditure Statement.

Potential impact of Covid-19 on Pooled Property Investment Valuations

The Gwynedd Pension Fund portfolio of investments holds a number of Pooled Property Investments. The underlying properties, upon which the value of the investments are based are, in the most part, valued by independent, regulated firms of surveyors and valuers. The Royal Institute of Chartered Surveyors (RICS) announced that the Covid 19 pandemic has had an effect on the practices and procedures of valuation professionals. RICS have stated that inspecting property may be difficult due to firms' own internal procedures, government restrictions or the occupants' unwillingness to grant access, and that a lack of commercial activity has limited the amount of market data able to be used as comparators.

In light of this, RICS has advised its regulated members to consider whether it is necessary to declare 'material valuation uncertainty' over the property/properties being valued. As a consequence, a number of Investment Managers are making such declarations regarding the value of their Pooled Property Funds.

Certain managers, including some with which Gwynedd Pension Fund hold investments, consider the uncertainty in value of the funds significant enough to have suspended subscription and redemption within their Pooled Property vehicles.

As at 31 March 2020 the value of Gwynedd Pension Fund's Pooled Property Investments reported by their Investment Managers was £191m. The Authority's share of this investment is approximately £3.175m. Based on this it has been estimated that a fall in value of approximately 7.1% could lead to a potential material difference in the assets allocated to the Authority and therefore an increase in the net liability attributable to the Authority.

The independent auditor's report of the Auditor General for Wales to the members of Snowdonia National Park Authority

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Snowdonia National Park Authority for the year ended 31 March 2020 under the Public Audit (Wales) Act 2004.

Snowdonia National Park Authority financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the accounting policies and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20 based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the financial position of Snowdonia National Park as at 31 March 2020 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – effects of Covid-19 on the Authority's pooled property pension fund valuations

I draw attention to Note 36 to the financial statements, which describe material valuation uncertainty clauses in the valuation report on the Authority's Pooled Property Funds held by the Gwynedd Pension Fund arising from circumstances caused by the Covid-19 pandemic. My opinion is not modified in respect of this matter.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the responsible financial officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about Snowdonia National Park Authority's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The responsible financial officer is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated later in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20;
- The information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report and the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
or
- I have not received all the information and explanations I require for my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Snowdonia National Park Authority in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 10, the responsible financial officer is responsible for the preparation of the statement of accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of

statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Adrian Crompton
Auditor General for Wales
20 November 2020

24 Cathedral Road
Cardiff
CF11 9LJ

Snowdonia National Park Authority Annual Governance Statement 2019-20



This statement meets the requirement to produce a Statement of Internal Control pursuant to Regulation 4 of the Accounts and Audit (Wales) Regulation 2005 (as amended in 2010)

*The text in blue denotes an update to the Statement since it was approved on the 20th of May 2020.

1. Introduction

Snowdonia National Park Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Snowdonia National Park Authority is still currently a Welsh Improvement Authority under Section 1 of the Local Government (Wales) Measure 2009 and as such has a general duty under section 2 to make arrangements to secure continuous improvement in the way in which its functions are exercised.

Snowdonia National Park Authority is also subject to the Well-being of Future Generations (Wales) Act 2015. The Act places a duty on the Authority to set Well-being Objectives that directly contribute to achieving the 7 Well-being Goals as set out in the Act, namely:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

Furthermore, Snowdonia National Park Authority must meet its duties in accordance with a 'statutory sustainability principle', which means that the Authority must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

In discharging this overall responsibility, Snowdonia National Park Authority is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk and adequate and effective financial management.

Snowdonia National Park Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/Solace Framework Delivering Good Governance in Local Government. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit (Wales) Regulations 2005 in relation to the publication of a statement on internal control.

2. The Purpose of the Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those

objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Snowdonia National Park Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

3. The Governance Framework

The Governance Framework comprises the seven principles of good governance:

- **Principle 1:** Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- **Principle 2:** Ensuring openness and comprehensive stakeholder engagement
- **Principle 3:** Defining outcomes in terms of sustainable economic, social and environmental benefits
- **Principle 4:** Determining the interventions necessary to optimise the achievement of the intended outcomes
- **Principle 5:** Developing the entity's capacity, including the capability of its leadership and the individuals within it
- **Principle 6:** Managing risks and performance through robust internal control and strong public financial management
- **Principle 7:** Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Snowdonia National Park Authority develops and implements its strategic corporate planning through the adoption of the:

- Snowdonia National Park Management Plan (Cynllun Eryri);
- Eryri Local Development Plan;
- Corporate Plan; and
- Corporate Work Programme.

These 4 documents represent the cornerstone for the Authority's work in fulfilling its primary purposes as defined in the Environment Act 1995 and in implementing its vision.

Governance Structure

The Authority's governance structure comprises of 4 main committees:

- Snowdonia National Park Authority has 18 appointed Members and during 2019/20 had 7 scheduled meetings.

- The Performance and Resources Committee was held 2 times during 2019/20. As part of its remit it undertakes audit committee functions in accordance with CIPFA requirements.
- The Planning and Access Committee was held 8 times during 2019/20. This committee is responsible for carrying out the Authority's statutory planning functions.
- The Authority's Standards Committee was held once during 2019/20. Membership of the committee, whose remit it is to promote and maintain high standards of conduct by Members, comprises of 3 Authority Members and 3 independent members.

The Authority's Standing Orders (published on the website) gives a detailed account of the arrangements for each committee. For every committee, the agenda, minutes and associated reports and background papers are all published on the Authority's website.

Management Team

The Authority's management structure includes the Chief Executive (who is also the 'National Park Officer' and the Head of Paid Service) and two Directors. The Authority's Management Team meet fortnightly, with the Head of Finance and the Head of Personnel in attendance.

Standards

The Authority has an established Code of Conduct for Members, which includes a section that specifically refers to interests and a Members' Register of Interest. The Code of Conduct for staff is the national standard code of conduct for public authority employees.

The Authority has adopted the following policies and procedures for maintaining high standards of conduct for both staff and Members, and to ensure accountability to the public:

- Complaints Procedure – based on the best practice model complaints procedure produced by the Public Service Ombudsman;
- Whistle Blowing Policy – to enable staff to raise serious concerns with the confidence in knowing that they will be thoroughly and fairly investigated, without fear of reprisals;
- Anti-Fraud and Corruption Strategy – contains measures designed to frustrate any attempted fraudulent or corrupt act, and the steps to be taken if such an act occurs; and a
- Scheme of Delegation – outlines how the full Authority's functions are carried out through delegation to its committees and sub-committees.

Risk Management

A Risk Management Policy and Strategy is in place. The risk identification process is co-ordinated by the Head of Finance, with input from the Management Team and Heads of Service. The Risk Register and mitigation measures is reviewed and updated quarterly.

Internal Audit

The review of the effectiveness of the system of internal control and governance arrangements is informed by the work of the Internal Auditors, undertaken by Gwynedd Council. The Internal Audit service is provided in accordance with CIPFA's Code of Practice for Internal Audit in Local Government in the UK. The Internal Audit Manager prepares an annual report that summarises the results of internal audit work during the year.

External Audit

Wales Audit Office act as the Authority's external auditor, and accordingly report on the Authority's financial management and performance, as well as issuing an Annual Improvement Report. In addition, Wales Audit Office gives an opinion on the adequacy of internal audit work.

Monitoring Officer

The Director of Corporate Services has been nominated as the Monitoring Officer. The Monitoring Officer has the specific duty to ensure that the Authority's Officers and appointed Members maintain the highest standard of conduct in all they do. The Monitoring Officer advises on constitutional procedure and the legality of the Authority's actions.

Financial Management

The Authority's financial management arrangements conform to the governance requirement of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010). The Chief Finance Officer (Gwynedd Council's Head of Finance) is the officer responsible for the administration of financial affairs as required under Section 151 of the Local Government Act 1972.

4. Significant Governance Issues and Actions Undertaken During the Year

The Well-being of Future Generations (Wales) Act 2015 sets a core duty on the Authority to set well-being objectives that maximise its contribution to achieving the 7 well-being goals set out in the Act. The Authority's well-being objectives should be objectives for change over the long term.

The Authority is also currently required under the Local Government (Wales) Measure to publish an improvement plan, which sets out its arrangements to secure continuous improvement in the exercise of its functions through improvement objectives.

In November 2019, Welsh Government published the Local Government and Elections (Wales) Bill. The Bill confirms that the Local Government (Wales) Measure 2009 will be dis-applied to National Park Authorities, Unitary Local Authorities and Fire and Rescue

Authorities in Wales. However, the exact timing of this dis-application is not currently known, and the Authority therefore continues to be subject to its requirements.

The Authority's current agreed well-being objectives are therefore also the improvement objectives. These were formally adopted by the Authority in April 2018.

The Authority's well-being objectives (and improvement objectives) were approved by the Authority without change for 2019/20 in its meeting on the 10th of April 2019, which were:

1. Our Communities

Working with our communities to develop the economic, cultural and social well-being of Snowdonia.

2. Plans and Policies

Review and implement both the Local Development Plan and the National Park Management Plan (Cynllun Eryri) and ensure that the principles of the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016 are fully integrated into the work of the Authority.

3. Health and Well-being

Snowdonia National Park is recognised as an area which contributes to the nation's physical and mental well-being.

4. People, Places and Partners

Over the next five years we aim to further the opportunities to work with people, volunteers and partners in a collaborative manner. This will enable us to continue to contribute to the appreciation and management of what makes Snowdonia valued and special.

5. Balancing our Resources and Efforts

The Authority targets its resources to deliver its priorities within the reduced resources available.

Any actions that the Authority takes in achieving the well-being objectives will need to be made in a sustainable way. Sustainable development involves five key requirements namely:

1. Long Term – the importance of balancing short term needs with the need to safeguard the ability to meet long term needs, especially where things done to meet short term needs may have detrimental long term effects.
2. Integration – how our well-being objectives may impact upon each of the well-being goals, how the well-being objectives may impact upon each other or upon other public bodies' well-being objectives, in particular where steps taken by us may contribute to meeting one objective but may be detrimental to meeting another.
3. Involvement – the importance of involving other persons with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of Wales or the geographical area of the Authority.

4. Collaboration – acting in collaboration with any person (or how different parts of the Authority acting together) could assist the Authority to meet its well-being objectives, or assist another body to meet its objectives.
5. Prevention – to take account of how deploying resources to prevent problems occurring, or getting worse may contribute to meeting the Authority’s well-being objectives, or another body’s objectives.

The Corporate Plan for 2019/20 was adopted by the Authority meeting on the 10th of April 2019. Details of how the Authority incorporates the 5 ways of working to ensure sustainable development is outlined in the Plan.

At the same meeting, the Corporate Work Programme for 2019/20 was presented for approval by the Members. The Programme sets out the projects, initiatives and specific actions that will be undertaken in order to fulfil the Authority’s improvement and well-being objectives.

Progress against the Programme has been reported to the Performance and Resources Committee on the 20th of November 2019. A second progress report was due to be presented to the Performance and Resources Committee on the 25th of March 2020, but due to the Covid-19 pandemic and the resulting lockdown restrictions, this committee meeting was cancelled.

The full annual report on the Corporate Work Programme is due to be reported to the Performance and Resources Committee in July 2020. If full or partial lockdown restrictions are still in place at this time, the Authority will use alternative technological systems to conduct remote committees.

5. Effectiveness of the Governance Framework

Snowdonia National Park Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the senior managers within the Authority, who have responsibility for the development and maintenance of the governance environment, and also by comments made by the external auditors and other review agencies and inspectorates. The review is based on the seven principles from the Code of Corporate Governance.

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Code of Corporate Governance	<p>The Code was last reviewed in February 2018 by the Director of Corporate Services, and presented to the Authority for approval.</p> <p>The Code received minor modification mainly by way of updating terminology, but also included one major change to ensure that the revised Code now fully incorporates the Sustainable Development Principle and</p>
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	<p>the Wellbeing Goals as set out in the Wellbeing of Future Generations Act 2015.</p> <p>The Code of Corporate Governance has not been subject to further review since this time, and no specific issues have arisen with regards to the Code itself during 2019/20.</p>
Standards Committee	<p>One meeting of the Standards Committee took place during the year on the 6th of September 2019.</p> <p>During this meeting, it considered a number of matters including a Grant of Dispensation to Members of both Gwynedd Council and Conwy County Borough Council.</p> <p>Members also reviewed the Ombudsman's Annual Report for 2018/19, and were advised of the developments applicable to this Authority.</p> <p>The Annual Complaints Monitoring Report was also submitted to the Standards Committee, for information.</p>
Whistle Blowing Policy	<p>The last detailed review of the Policy was undertaken by the Standards Committee in September 2016, with subsequent changes approved at the Authority meeting in December 2016.</p> <p>During 2019/20, no reports or concerns were raised in relation to any Member or Officer of the Authority under the Whistle Blowing Policy.</p>
Anti-Fraud and Corruption Strategy	<p>During 2019/20, no complaints of alleged fraud or corruption were made regarding any Member or Officer of the Authority, and Internal Auditors did not identify any areas of concern through their auditing work.</p>
Model Code of Conduct	<p>During 2019/20, no amendments or revisions were made to the Model Code of Conduct.</p>
Complaints – Officers	<p>During 2019/20, the Authority received a total of 6 formal complaints.</p> <p>The Authority was not subject to a formal investigation of alleged maladministration by the Public Service Ombudsman for Wales during 2019/20.</p>

Complaints - Members	During 2019/20, the Authority's Monitoring Officer did not receive any formal complaints relating to the Members, and no complaints were submitted directly by the Public Service Ombudsman for Wales.
Standing Orders	The Standing Orders were last reviewed and amended by the Authority on the 26 th of April 2017, following receipt of the Local Authorities (Standing Orders) (Wales) (Amendment) Regulations 2017. No complaints were received during 2019/20 in relation to the Authority's compliance with its Standing Orders.
Scheme of Delegation	The Scheme of Delegation was last revised and amended by the Authority in its meeting on the 13 th of December 2017. During 2019/20 no issues arose relating to the implementation of the Scheme.
Members' Register of Interests	The Local Government (Democracy) (Wales) Act 2013 placed a requirement on the Authority to publish the current Members' Register of Interests on the website from the 1 st of May 2015. The Annual Governance Statement for 2018/19 highlighted a non-compliance issue which had arisen during the year in relation to the failure to publish the Members' Register of Interests on the Authority's website. The report confirmed that the matter had been rectified and that the Register had been available on the Authority's website since September 2018. During 2019/20, no further issues or complaints arose regarding the Members' Register of Interests.

Principle 2: Ensuring openness and comprehensive stakeholder engagement

Strategic Equality Plan	The Annual Report on the Strategic Equality Plan was presented to the Performance and Resources Committee on the 20 th of November 2019.
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	<p>The Authority’s progress on its action plan for reaching its Equality Objectives was reported, along with the Equality Impact Assessments undertaken during the year, equal pay monitoring data and staff equality data.</p> <p>The Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 requires that the Authority publishes a new Strategic Equality Plan every 4 years.</p> <p>The Authority’s new Strategic Equality Plan for the period 2020-24 was due to be presented to the 25th of March 2020 Performance and Resources Committee, which had to be cancelled, as a result of which the Plan has not been adopted.</p> <p>The Equality and Human Rights Commission acknowledged the unprecedented difficulties faced by public authorities in its correspondence on the 25th of March 2020. The Commission hoped that everyone would be in a position to publish within the next 6 months, but will review the situation in October 2020.</p>
<p>Direct Consultation</p>	<p>During 2019/20 the Authority has sought to engage with local people and stakeholders through a range of consultations.</p> <p>Apart from the direct consultations highlighted under other headings in this Statement, the Authority’s Forums such as Fforwm Eryri and the Access Forums continue to ensure a consistent mechanism for consulting directly on specific work areas.</p> <p>In addition, open evenings for Town and Community Councils were held across 3 locations within the National Park in September and October 2019.</p> <p>The evenings were focused primarily on the work of the Wardens and the development of their Place Plans. Part of each evening was given to group discussions, which enabled participants to identifying the needs and opportunities in their areas.</p>
<p>Communication Strategy</p>	<p>Communication is an essential element in everything the Authority does. It is also something that can always be improved upon, and the Authority’s Strategy reflects this.</p>

	<p>Fast paced technological advancements and the continuing growth in social media platforms and participation levels, means that the Authority needs to be fully focused on communicating effectively through the correct channels at the correct time.</p> <p>With this in mind, a task and finish group of 4 Authority Members and key staff was established to review the current Communication Strategy and to specifically look at redeveloping the website.</p> <p>Over the last year, initial work has commenced. In June 2019, Atom PR was commissioned to undertake a needs assessment for the new website. The report was published in September 2019.</p> <p>At the end of the financial year, the Authority had moved into Phase 2. Funds have been secured for the creation of a 3 year Content and Brand Manager post to project manage the creation and development of the new website, and the recruitment process has commenced. Work has also commenced on developing the specification for the tender process of the new website along with outline costs.</p>
Learning Strategy	<p>The Authority's adopted Learning Strategy sets out the importance of engaging with young people through learning opportunities. Ensuring that future generations are actively engaged with the National Park and have a thorough understanding of its special qualities is a key objective of the Authority.</p> <p>The current strategy is in the process of being revised and updated. New opportunities for engaging with young people have been identified which require development, and some existing work areas which are expensive and not cost effective require changes.</p> <p>For this purpose, the Authority established a task and finish group with 5 Authority Members and key staff on it, which met on the 24th of February 2020 to commence this work.</p>
Wellbeing Statement	<p>The Well-being of Future Generations (Wales) Act 2015 sets out a duty on the Authority to publish a Well-being Statement setting out how its well-being objectives</p>

	<p>contribute to the Welsh Government's Well-being Goals and how it will incorporate the sustainable development principle in all that it does.</p> <p>The Authority's Corporate Plan for 2019/20 includes the Authority's Well-being Statement and Service Priorities.</p>
Freedom of Information	<p>The Authority has adopted the Information Commissioner's Model Publication Scheme and has published a guide to information, both of which are available on the website.</p> <p>During 2019, 16 requests were received of which 11 received all the information requested (69%).</p> <p>On the 1st of November 2019, the Information Commissioner issued a Decision Notice. This related to a request submitted in 2018 regarding access to previous copies of Members' Register of Interests.</p> <p>Present Members' Register of Interests are publicly available, but old or previous entries are removed and are released from the obligation to be available for public inspection. As these entries include the personal data of individuals, GDPR was applicable to the request. We were of the view that Members, particularly former Members, would not reasonably expect that any declarations of interest would remain in the public domain indefinitely and therefore be subject to public scrutiny after their interests ceased or changed.</p> <p>We were of the view that there was no lawful basis for releasing this information and any such disclosure would leave the Authority open to a potential complaint of a breach of Article 6 of the GDPR.</p> <p>The Information Commissioner confirmed that GDPR was applicable, and considered in detail all aspects of the case for and against releasing this information. After careful consideration, the Commissioner concluded that there was sufficient legitimate interest to outweigh the data subjects' fundamental rights and freedoms, and accordingly decided that the information should be released. The Authority duly released the information.</p>
Committee Agendas and	<p>The Authority's Committee agendas and associated reports are published on the website at least 3 clear working days before each meeting.</p>

Associated Reports	An archive of past Committee meetings agendas and associated papers is also available on the website.
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Principle 3: Defining outcomes in terms of sustainable economic, social and environmental benefits

Snowdon Partnership Plan	<p>Work has been commissioned to produce a Communications Strategy for the Snowdon Partnership and the strategy has been completed. The Partnership intended to discuss the strategy at the meeting scheduled for May 2020 and draw up a work program based on the new strategy.</p> <p>Martin Higgitt Associates was appointed to produce a parking and transport review for the Snowdon and Ogwen areas and background and advisory work commenced. Following the Covid-19 crisis the consultation was put on hold but the company is continuing with the production of the report and discussing options and recommendations. Alternative methods of consultation are also currently under full consideration.</p> <p>Work began on developing a walking app for Snowdon paths with the aim of launching before summer 2020. The app will be launched at an appropriate time depending on the developments of the Covid-19 emergency and government legislation.</p> <p>A training day was held on the 13th of February 2020 which qualified business owners in the local tourism industry as Snowdon Visiting Specialists. The event was part of a wider scheme that will operate across the National Park, and be a joint plan with other local authorities in North Wales. A Snowdon module has been developed for the scheme, which will be added to other modules that promote Snowdonia's Special Qualities and sustainable tourism to visitors to the area. It is hoped that the scheme will be launched in the summer of 2020.</p>
Cynllun Eryri (Snowdonia National Park Partnership Plan)	<p>Following the restructuring and appointment of the new Partnerships Manager, a revised timetable for the delivery of the Eryri Plan has been drawn up.</p> <p>In the autumn of 2019, an action plan was developed with the input of the Eryri Forum and National Park</p>

	<p>officers. At the Authority's meeting on 11th December 2020, the draft full Plan was approved for public consultation.</p> <p>The last public consultation on Cynllun Eryri took place over a 6 week period from 3rd February - 13th March 2020. The online questionnaire received responses from 105 individuals and 16 organisations. 84% of these were people who live and work in the National Park. The consultation was very successful on local and national media, and especially on social media, and also in the variety of meetings attended across the area during the consultation period. The response to the draft has been overwhelmingly positive.</p> <p>The final version of Cynllun Eryri is currently being developed taking into account all the input received so far. The final Plan will be presented to the Authority as soon as possible and it is hoped that the official launch of the Plan will be before the end of 2020, subject to the current situation and the guidelines around the Covid-19 crisis.</p>
<p>Cronfa Eryri</p>	<p>The refreshed commissioning fund helps to refocus the delivery of actions in the Eryri Plan, in partnership with or directly from key partners, as well as fund further research to gain a better understanding of key issues. It will also deliver the Welsh Government's priorities in relation to protected landscapes.</p> <p>Due to the focus throughout 2019-20 being on producing the Plan, the Fund has not yet had much use. A shortlist has been agreed by the Chief Executive and the Eryri Forum.</p> <p>A proportion has been earmarked to undertake a comprehensive and up-to-date visitor and resident survey to understand the current situation in the National Park. Unfortunately, the tender had to be withdrawn due to current restrictions. This work will be resumed as soon as possible.</p> <p>Work has begun in partnership with the University of Winchester to look at a new methodology for measuring Tranquillity in the National Park. A pilot project is planned for the second part of 2020. The fund will contribute to the development of this work.</p>

<p>Eryri Local Development Plan 2016-2031</p>	<p>The Annual Monitoring Report for 2018-19 was approved by the Planning and Access Committee for submission to the Welsh Government on the 16th of October 2019.</p> <p>During the year the updated Supplementary Planning Guidance on Visitor Accommodation and Affordable Housing both went out for public consultation, and changes were made as appropriate. Both Supplementary Planning Guidance were adopted on the 22nd of January 2020 by the Planning and Access Committee.</p>
<p>Corporate Plan 2019/20</p>	<p>The Authority will be provided with the final results of the Corporate Plan for 2019/20 through the Annual Report and Improvement Plan 2019/20, which will be presented to Members in September 2020.</p> <p>Members were however given regular updates on progress made on implementing the actions to fulfil the Well-being Objectives (which are outlined in the Corporate Work Programme for 2019/20) and the corresponding performance indicators.</p> <p>Progress made up until the end of the third quarter of the financial year (31/12/19) was as follows:</p> <p>Of the 64 actions / initiatives / projects outlined in the Corporate Work Programme, 34 were rated green (progressed and within timetable), 24 were rated amber (to be progressed next quarter and / or to be completed by March 2020) and 6 were rated red (not progressed and / or not on target).</p>

Principle 4: Determining the interventions necessary to optimise the achievement of the intended outcomes

<p>Budget Strategy 2019/20</p>	<p>The Authority's revenue budget for 2019/20 was confirmed in the Chief Finance Officer's report to the Authority on the 6th of February 2019. The report also confirmed the levy on constituent authorities.</p> <p>The report confirms that adjustments have been made to the budget to allow for the effect of individual grant schemes which increases the Authority's gross revenue expenditure.</p>
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	<p>The report also confirms the capital budget for 2019/20, after taking into account the effect of specific grant schemes on the Authority's total capital expenditure.</p> <p>An update on the Budget was presented to the Authority on the 25th of September 2019. The report informed Members of the addition of the 2018/19 slippage into the 2019/20 baseline budget, the significant virements that had taken place, and to project the final position for the revenue and capital budget for the financial year.</p> <p>The final budget update for 2019/20 was due to be presented to the Performance and Resources Committee on the 25th of March 2020, which was cancelled.</p>
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<p>Mid Term Financial Plan 2020/21 – 2023/24</p>	<p>In its meeting on the 5th of February 2020, the Chief Executive presented the revised Medium Term Financial Plan for 2020/21 – 2023/24 to the Authority, which outlines a range of financial situations that could face the Authority over the next four years. The Plan outlines a model of the financial resources required by the Authority for the service levels it hopes to provide in the mid term.</p> <p>The Plan is based on a flat settlement over the next two years. However, the global pandemic Covid-19 has since this time emerged and transformed the landscape unrecognisably, throwing the UK economy into uncharted waters. As a result of which the Mid Term Financial Plan is likely to need significant revision over the 2020/21 financial year.</p>
<p>Performance Management</p>	<p>The Authority's Performance Indicators outturn for 2018/19 along with progress made on the actions within the Corporate Work Programme for the year was reported to the Performance and Resources Committee on the 24th of July 2019.</p> <p>The first half year of results for the Performance Indicators and Corporate Work Programme for 2019/20 was reported to the Performance and Resources Committee on the 20th of November 2019.</p>

Principle 5: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Members' Attendance	Members' attendance at meetings during 2019/20 was 81%, compared to 83% in 2018/19 and 79.7% in 2017/18.
Member Training	<p>In 2019/20, member attendance at training events was 52.5% (63% in 2018/19). This figure is much lower than previous years, but the number of training sessions made available to Members was also lower, with 2 planned sessions in March 2020 having been cancelled.</p> <p>Training needs for Members is discussed at a number of working groups along with receiving feedback on training undertaken.</p> <p>At the end of 2019/20, The Health Protection (Coronavirus Restrictions) (Wales) Regulations 2020 came into force, which amongst other things allows for remote committee meetings to be conducted by public authorities in Wales.</p> <p>The training needs focus therefore turned to IT use and support, with particular emphasis on using technology to conduct remote meetings. This is vital during the lockdown period of Covid-19, to enable the business of the Authority to continue to be conducted as effectively as possible under the circumstances.</p>
Skills Audit and Exit Interviews	<p>In the Spring of 2018, the Chairman of the Authority presented a paper to the Members to evaluate current governance arrangements for the Authority, and if appropriate to consider options for reviewing those arrangements along with any support the Members required to perform their duties.</p> <p>As part of the discussions surrounding developing the capacity and ability of Members, the Performance and Resources Committee on the 24th of July 2019 adopted a skills and knowledge audit template for Members. The completion of the audit by each Member would support a development plan for Members.</p>

	<p>In addition, exit interviews were adopted for outgoing Members, in order that the Authority could learn and adapt if necessary, its current support for Members' based on the experience of previous Members.</p>
Staff Performance Appraisals and Training	<p>Learning and development needs are identified in annual performance appraisal reviews and a training plan is produced by the Head of Personnel, which outlines training priorities for the year ahead.</p> <p>In 2019/20, 75% of staff received a performance appraisal (74% in 2018/19).</p> <p>Although the training budget has been reduced over the last few years, the Authority continues to ensure that standard qualifications are kept up to date e.g. first aid, IOSH Managing Safely, use of machinery etc.</p> <p>In a staff survey undertaken in 2019/20, 89.8% of staff agreed that they have opportunities to develop their skills (83% in 2018/19).</p>
Human Resources Strategy	<p>The Annual Updating Report on implementing the Authority's HR Strategy for 2017-20 was presented to the Performance and Resources Committee on the 24th of July 2019.</p> <p>The report gives data on the gender pay gap, staff gender split by services, age profile, staff turnover rates etc. It was noted that sickness absence was up from 7.2 days FTE in 2017/18 to 8.9 days FTE in 2018/19.</p> <p>The Action Plan covers leadership and management development, performance management, recruitment and retention, absence management and equality and diversity.</p>

Principle 6: Managing risks and performance through robust internal control and strong public financial management

Financial Statements	<p>The Chief Finance Officer submitted the Statement of Accounts for 2018/19 and the Final Letter of Representation for the Authority's approval, in its meeting on the 24th of July 2019.</p>
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	At the same meeting, the Wales Audit Office presented its annual ISA260 report to the Authority. The Auditor confirmed that he would be presenting an unqualified opinion on the Authority's financial statements and related notes.
Risk Management	<p>The Risk Register is reviewed as a standing item on the quarterly Heads of Service and Management Team meetings, and the revised Risk Register then reviewed in the following Management Team meeting.</p> <p>Identified risks as noted in the Risk Register are allocated as a responsibility to named officers and target dates are set for mitigation. The Risk Register is reviewed by Members at the Performance and Resources Committee as well as the Authority meeting.</p>

External Audit	<p>Further to their Audit Plan for 2019, which was presented to the Authority on the 10th of April 2019, Wales Audit Office presented a Project Brief at the Performance and Resources Committee on the 24th of July 2019. The Project Brief sets out the proposed performance audit programme for 2019/20.</p> <p>The proposed programme is as follows:</p> <ul style="list-style-type: none"> • performance and improvement assessment work in line with the requirements of the Local Government Measure 2009; • a review of the National Park Authority's approach and management of involving stakeholders when proposing service changes; and • a light-touch verification of progress with relevant areas for improvement identified in their examination of Wellbeing of Future Generations in 2018-19. <p>At the Performance and Resources Committee on the 20th of November 2019, Wales Audit Office presented a Certificate to confirm that following its audit of the Improvement Plan for 2019/20, the Authority had discharged its duty under section 15(6) to (9) of the Local Government (Wales) Measure 2009.</p> <p>The Annual Improvement Report for 2019/20 produced by the Wales Audit Office, has yet to be received by the Authority, and therefore cannot be reported on at this time.</p>
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Internal Audit	<p>The Internal Audit Manager reports on the previous financial year's work to the Performance and Resources Committee in July.</p> <p>The four internal audits undertaken in 2019/20, namely the Snowdon Partnership, Plas Tan y Bwlch Income Data, Use and Control of Social Media, and Car Parks Income were all given a "Satisfactory" rating – there are controls in place to achieve the objectives but there are aspects where the arrangements can be tightened to further mitigate the risks.</p>

Health and Safety	<p>The Health and Safety Group meets quarterly to monitor health and safety issues within the Authority.</p> <p>The Annual Health and Safety Report presented to the Performance and Resources Committee details the training courses undertaken during the year and the incidents / accidents that were recorded.</p>
Information Centres	<p>The Authority has 3 Information Centres in Betws y Coed, Beddgelert and Aberdyfi, which are managed by the Centres Commercial Manager, whose main objective is to ensure that the Centres are commercially viable / self-financing.</p> <p>The annual report on the Information Centres was presented to the Performance and Resources Committee on the 20th of November 2019.</p> <p>The report noted that there was a fall in visitor numbers in Beddgelert and Betws y Coed, but that this hadn't translated into a fall in net sales. Overall, net income and profit on sales was up in all 3 Centres. The report also highlighted areas to monitor and areas to develop for the future.</p> <p>The report demonstrates that the Authority's Information Centres are well run with robust financial management processes in place.</p>

Borrowing and Investment Strategies / Treasury Management	<p>The Annual Report providing the actual Treasury Management activity (borrowing and investment) of the Authority during 2018/19, was presented to the Authority meeting on the 5th of June 2019.</p> <p>In 2018/19, the total interest received from investments was £35,980. The interest sum of £35,980 for 2018/19 is significantly more than the equivalent amount of £6,377 in 2017/18. The main reasons being the £2,035,000 Welsh Government grants received in the end of March 2018 together with the initial LIFE (Celtic Rainforests) grant payment of £1,517,186 in July 2018.</p> <p>The Annual Report providing the actual Treasury Management (borrowing and investment) of the Authority during 2019/20, was presented to the Authority meeting on the 3rd of June 2020.</p> <p>The Authority's activity remained within the limits that were originally set. There has been no borrowing.</p> <p>In 2019/20, the total interest received from investments was £48,077. Interest received from car loans of £1,419 increases the total to £49,496 against a revised budget of £29,300.</p> <p>The bank and building society interest sum of £48,077 for 2019/20 is higher than the corresponding amount of £35,980 in 2018/19. The main reason being that HSBC MoneyMarket, Nationwide and Santander UK continued to pay a higher interest rate on term deposits throughout 2019/20.</p> <p>The Chief Finance Officer presented the Capital Strategy for 2020/21 at the Authority meeting on the 5th of February 2020.</p> <p>The report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of National Park services along with an overview of how associated risk is managed and the implications for future financial sustainability.</p> <p>The report confirms that the Authority commences 2020/21 debt free. Members approved no change in the authorised borrowing limit and the operational boundary, and approved both the Capital Borrowing Strategy and Investment Strategy for 2020/21, and noted the content with regard to the Prudential Code.</p>
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Principle 7: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Pay Policy Statement	<p>Section 38 (1) of the Localism Act 2011 places a requirement on Local Authorities to prepare pay policy statements. Whilst National Park Authorities are exempt from this requirement, it has been considered good practice to adopt such a statement, and accordingly this is done annually by the Head of Personnel.</p> <p>A revised grading structure was introduced with new pay scales from the 1st of April 2019. The pay award brought the lowest salary point to £9.00 per hour. At the time of reporting the Pay Award for April 2020 has not yet been agreed.</p> <p>The Authority's Pay Policy Report for 2019/20 and Pay Policy Statement for 2020/21 was due to be presented to the Performance and Resources Committee on the 25th of March 2020, ensuring transparency in staff remuneration at the Authority.</p>
Annual Report and Improvement Plan 2018/19	<p>The Annual Report and Improvement Plan for 2018/19 was presented to the Authority meeting on the 25th of September 2019, before being published on the website and distributed to the Authority's main centres, public libraries etc., within the National Park.</p> <p>It contains the Chairman's Annual Report for the year, which sets out what was achieved, not achieved and any problems that were encountered.</p> <p>It also contains details of the Authority's Service Priorities and the Authority's Objectives set on an annual basis that feed into and show how it is intended to take the National Park forward in order to attain the Authority's vision; a summary evaluation of progress made in attaining the Authority's Objectives, the key work activities for 2018/19, and performance management (including performance indicator results for the year).</p> <p>Out of the 5 improvement areas, the Authority had been successful in the progress that had been made on 2 objectives, has been partially successful in 1 objective,</p>

	<p>whilst the remaining 2 objectives have made limited progress over the year.</p>
Broadcasting Committees	<p>Although local authorities do not have to broadcast their meetings, the Welsh Government encourages webcasting.</p> <p>This was considered by the Authority in 2013/14, and it was decided at the time not to introduce such a procedure. At that time - while the concept was acceptable in principle - members resolved that the room system and Plas Tan y Bwlch status as a listed building made it difficult and costly to adapt the facilities, and there was no practical alternative meeting place to hold public meetings.</p> <p>As part of the Chairman's governance review, and following earlier discussions at the Member Working Group, Members agreed at the Performance and Resources Committee on the 24th of July 2019 not to proceed with broadcasting committees. Although technological advancements now made webcasting more accessible, the costs still remain prohibitively high, and it was decided that webcasting was not a good investment for the Authority at this time.</p>
Member Scrutiny	<p>As part of the Chairman's review of governance arrangements, and following earlier discussions at the Member Working Group, Members agreed at the Performance and Resources Committee on the 24th of July 2019 to proceed with a programme of strategic scrutiny.</p> <p>The programme would be agreed each year by the Performance and Resources Committee and would scrutinise between 1 and 3 subject areas each year. Each strategic theme of scrutiny would have a Member lead, and the Chair of the group would be appointed from Members with remunerated roles.</p> <p>At the Performance and Resources Committee on the 20th of November 2019, the two areas for scrutiny for 2020/21 were agreed as:</p> <ol style="list-style-type: none"> 1. Carbon account for the geographical area of Snowdonia: values, risks, management and opportunities. 2. Traffic management in North of the Park.

6. Significant Governance Issues and Actions Proposed for 2020/21

The start of 2020 saw the Covid-19 pandemic having a profound impact on everyday life, and will continue to do so for the foreseeable future. Once full lockdown was announced in the UK, the Authority moved very quickly to reprioritise its work to deal with the emergency, to enable staff to work from home where possible, and to put systems in place to enable the remainder of the day to day business of the Authority to continue where possible.

Regardless of when lockdown restrictions will be eased and eventually fully lifted, all aspects of the Authority's work will be impacted for the foreseeable future. The lockdown's impact on the economy along with the financial resources spent by UK and Welsh Government to deal with the emergency, will have huge implications on the funds available for the public sector for some time to come. Over the weeks and months ahead, the Authority will need to continually re-assess its situation, and reprioritise and refocus its work in line with the resources it has available.

The Corporate Plan 2020/21

In March 2019, a timeline was adopted by the Authority to adopt new strategic objectives for the period 2020-25.

In September 2019, two Members' Working Group meetings considered the way forward, and concluded that more time was required to consider matters, due to:

- The uncertainty as to when the Local Government Measure was to be diss-applied;
- The uncertainty of future financial pressures on the Authority; and
- Cynllun Eryri being due for formal adoption in 2020.

Members recommended that the review of the well-being objectives be deferred until further consultation could be undertaken in 2020, for the purposes of agreeing well-being objectives for 2021 – 26. On the 11th of December 2019, the Authority ratified this decision. The process commenced with facilitated workshops in January 2020.

The Corporate Plan for 2020/21 (and the well-being objectives within it) was therefore, and still is, intended as a bridging Plan for the year. However, the Covid-19 pandemic has meant that the Authority has had to review the action areas under each of the objectives and re-prioritise resources according to what can be realistically achieved under the current circumstances. No public consultation has taken place on these changes, as this was not practically possible. Accordingly, the Corporate Work Programme for 2020/21 has been re-written to accommodate these changes.

The Annual Improvement Report by the Wales Audit Office (April 2019) was formally presented to the Authority in its meeting on the 24th of July 2019.

The report did not make any formal recommendations, but made the following proposals for improvement:

Proposals for Improvement	Action to be taken
Well-being of Future Generations Act (Wales) 2015 examinations	
<p>The Authority considers how its steps will meet short-term need but long-term planning continues to be constrained by ongoing capacity and short term funding challenges. Despite some examples on project / service levels, corporately the Authority could improve how it demonstrates positive long term impact.</p>	<p>The Authority has adopted a Medium Term Financial Plan for the coming year.</p> <p>The Authority in the Autumn / Winter of 2019 will review its Well-being Objectives and Corporate Plan to address long term impacts.</p>
<p>Key services, such as planning, have numerous measures and targets in place. While some of these are national measures, the Authority risks putting too much emphasis on measuring outputs rather than outcomes.</p>	<p>The Authority has reduced its Performance Indicators, those being retained for the Planning Service are National Indicators.</p> <p>The Authority to be conscious of measuring outcomes when setting its Well-being Objectives and Corporate Plan.</p>
<p>In relation to its planning function, the Authority recognises a more detailed body of evidence is needed to support Welsh language use and the risks / opportunities in each community, and the impact of new activities and developments on the language.</p>	<p>The information required to undertake this is not currently held by the Authority. Such a body of evidence would require extensive surveys and other relevant information, which would need to be updated over time. The Authority currently do not have the resources to gather this information.</p> <p>This type of evidence would also be of use to other local planning authorities. The Authority could seek the advice of the Welsh Language Commissioner with regard to them managing a collaborative approach to gathering this information.</p>
<p>Recognition that embedding the sustainable development principle into the culture of the organisation and the behaviours of its staff is work in progress and needs a sustained long-term focus to deliver benefits / improvements.</p>	<p>The Authority is undertaking joint work with the Wales Audit Office in embedding the five ways of working over the next few years.</p>
<p>Little evidence of how the Authority is improving involvement with hard-to-reach groups in shaping long term direction and the new Park Management Plan.</p>	<p>The Authority does not fully accept this perception gained by the Wales Audit Office; the engagement has involved many stakeholders.</p>

Wales Audit Office gave a presentation to Members at the Performance and Resources Committee on the 24th of July 2019 regarding the examination and audit that had taken place on the Authority's work in relation to the Well-being of Future Generations Act.

The Examination looked at to what extent Snowdonia National Park Authority acted in accordance with the sustainable development principle when taking steps towards meeting its well-being objectives. Further examination and audit work took place in December 2019, which took a more detailed look at how the Authority was involving stakeholders when proposing service and policy changes, with particular emphasis on the development of Cynllun Eryri (National Park Management Plan). A report of the conclusions was presented to the Authority on the 20th of May 2020.

Wales Audit concluded that the Authority had "established an effective partnership-led approach in developing Cynllun Eryri and is well placed to build on this going forward, but needs to address its financial and capacity challenges to ensure its involvement work is sustainable".

The report highlights areas of good practice and exemplary work carried out by the Authority. Wales Audit did not make any proposals for improvement but rather have produced a self-assessment for staff and Members to use to identify strengths and weaknesses of its current approach to involvement.

The Annual Improvement Report for 2019/20 produced by the Wales Audit Office, has yet to be received by the Authority at the time of reporting.

The Authority's Risk Profile

The five highest risks to the Authority as updated in March 2020, but have not received approval from the Performance and Resources Committee as the meeting on the 25th of March 2020 was cancelled, is as follows:

Risk	Result	Action Identified / Progress to date
Insufficient core budget funding	Cut In Services	The Welsh Government received sufficient 'consequential' funding from Westminster to maintain and improve the level of National Park Grant in 2020/21. Although the Welsh Government's settlement for 2020/21 was a flat 0% for National Park Authorities, which was a real terms cut, SNPA set a balanced budget for 2020/21 in February 2020, and retained adequate reserves. Subsequently, the Covid-19 crisis and lockdown has meant that SNPA now faces a possible net loss of income between £511k and £1,34m in 2020/21. The Chairman and Park officers are seeking funding options

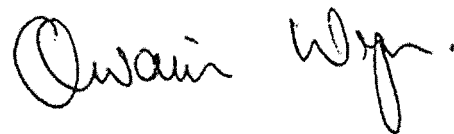
		whereby the Welsh Government may contribute towards this funding gap. While this is a one-off shortfall, the effect on some income sources could extend into future years.
Income Generating Target (Plas Tan y Bwlch)	Failure to keep within the Authority's budget.	The service shows a deficit against its revised budget. Consultants are being sought to work with the Authority on developing a new robust and realistic Business Plan that will look at how to address costs and increase income and confirm the centre's business priorities. A project to develop the annex as a hostel and redevelop the bedrooms in the main house has been agreed by the Plas Management Board, this is being mostly funded by Welsh Government. On completion of the works it is predicted that the Centre will reach break even with no net cost to the Authority after 2 years. The booking system for accommodation and courses is being replaced to enable online bookings and for the accommodation to be made available to On-line Travel Agents. The Centre has had to close due to the Covid-19 pandemic. There is currently no indication of a likely date it will be able to resume normal working, this is not envisaged to be in the near future. Income is reduced to zero with some savings in costs – the Authority is looking at further ways to mitigate costs.
Income Generating Target (Car Parks)	Failure to keep within the Authority's budget	Due to the Covid 19 pandemic and lockdown measures implemented by UK and Welsh Government to reduce the spread of the virus, all car parks have been closed. This is likely to result in significant loss of commercial income and at present it is unknown when sites can reopen. Steps to cut outgoings and re-schedule works have been taken to reduce the income deficit however we are likely to face a serious shortfall against target.

<p>Aspects of financial risk associated with LIFE Celtic Rainforest project including non-compliance with procurement rules or spending on ineligible costs resulting in the grant not being awarded, or fluctuation in the Euro / pound exchange rate</p>	<p>SNPA and other partners required to self finance aspects of project expenditure to date.</p>	<p>Further to discussions between the Senior Project Manager (SPM) and EASME (European Commission), the first Mid-Term Progress Report and accompanied payment request is due for submission in October 2020 (delayed from January 2020). SPM had envisaged being in a position to submit the request sooner than October – however, commencement of lockdown as a result of the Covid-19 pandemic has put this in doubt. Project currently circa £300,000 from spend required to trigger first interim payment request. Project achieved required minimum spend of £1,000,000 to meet Welsh Government expenditure requirements for 18/19 and 19/20, having spent circa £1,250,000. A further £1,000,000 is due to be claimed for the financial year 2020/21 and concerns mounting that this target would not be achieved under current working conditions imposed as a result of the Covid-19 pandemic; however Welsh Government have agreed to re-profile and increase the amount claimable for 2019/20 thereby reducing the 20/21 target to circa £700K.</p>
<p>Effect of the Coronavirus (Covid-19) on the work of the Authority</p>	<p>The Authority fails to operate in terms of accomplishing its daily and statutory duties. Financial losses, failing to pay suppliers, and a general failure to maintain usual systems. The Authority fails to:</p> <ul style="list-style-type: none"> •Undertake its statutory duties; •To deliver against its corporate work Programme; •To pay its staff and suppliers; 	<p>There is a need to ensure that measures are in place for the Authority's main systems and to enable key staff to accomplish their duties. The Management Team and Heads of Service are discussing specific measures in this respect.</p>

	<ul style="list-style-type: none"> •To generate income against agreed targets; •Support the socio and economic wellbeing of the area; and •Support the wellbeing of its staff. 	
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7. Opinion

We propose over the coming year to take steps to address the matters referred to in part 6 to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

EMYR WILLIAMS
SNOWDONIA NATIONAL PARK
AUTHORITY CHIEF EXECUTIVE
DATE 20/05/2020

OWAIN WYN
SNOWDONIA NATIONAL PARK
AUTHORITY CHAIR
DATE 20/05/2020

GLOSSARY OF TERMS

ACCRUALS

The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.

CAPITAL CHARGE

A charge to service revenue accounts to reflect the cost of fixed assets used in the provision of service.

CAPITAL EXPENDITURE

Expenditure on the acquisition of a fixed asset or expenditure which adds to and not merely maintains the value of an existing fixed asset.

CAPITAL RECEIPTS

Proceeds of not less £10k from the sale of fixed assets. They may be used to finance new capital expenditure or repay debt. They cannot be used to finance normal day to day revenue spending.

COMMUNITY ASSETS

Assets that the authority intends to hold in perpetuity, that have no determinable useful life, and that may have restrictions on their disposal.

CONTINGENT LIABILITIES/ASSETS

These arise from a past event which is dependent upon future uncertain events and timing prior to being recognised in the accounts.

REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE

Expenditure classified as capital for funding purposes but which does not result in the expenditure being carried on the balance sheet as a fixed asset. These items are generally grants and expenditure on property not owned by the Authority.

DEFINED BENEFIT SCHEME

A pension scheme where the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme.

FINANCE LEASE

A lease that transfers all of the risk and rewards of ownership of a fixed asset to the lessee.

OPERATING LEASE

A lease other than a finance lease.

FIXED ASSETS

Tangible assets that yield benefits to the authority and the services it provides for a period of more than one year.

USEFUL LIFE

The period over which the authority will derive benefits from the use of a fixed asset.

ABBREVIATIONS

CIPFA	Chartered Institute of Public Finance and Accountancy
LASAAC	Local Authority (Scotland) Accounts Advisory Committee
IFRS	International Financial Reporting Standard
IAS	International Accounting Standard

Audit of Accounts Report – Snowdonia National Park Authority

Audit year: 2019-20

Date issued: November 2020

Document reference:2006A2020-21

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

Contents

We intend to issue an unqualified audit report on your Accounts. There are some issues to report to you prior to their approval.

Audit of accounts report

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Introduction

- 1 We summarise the main findings from our audit of your 2019-20 accounts in this report. We have already discussed these issues with Head of Finance and his team.
- 2 You are required to prepare accounts and we have now substantially completed this year's audit, despite the challenges posed by the COVID-19 pandemic. It is of considerable testament to the commitment of your officers that you have succeeded in doing so this year in the face of the challenges posed by this pandemic. To help overcome these challenges we adopted new ways of working such as establishing a secure remote file transfer portal. We are extremely grateful to the professionalism of officers in producing the financial statements and supporting us to complete our audit in such challenging circumstances. We will be reviewing what we have learned from the impact of the pandemic on our audit and whether there are innovative practices that we might adopt in the future to enhance our work.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £226,000 for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:
 - Related Party Disclosures £10,000
 - Senior officer remuneration £1,000
- 6 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and, our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this year's audit

- 7 The COVID-19 pandemic has had a significant impact on all aspects of our society and continues to do so. You are required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so this year in the face of the challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in such difficult circumstances.
- 8 The pandemic has unsurprisingly affected our audit and we summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only

to help you understand the impact of the COVID-19 pandemic on this year's audit process.

Exhibit 1 – impact of COVID-19 on this year's audit

<p>Timetable</p>	<p>Officers provided us with the signed draft accounts on 21 August 2020 which was later than the statutory deadline of 15 June 2020. We expect your audit report to be signed on 20 November 2020 following approval of the audited accounts by the Authority on 18 November 2020.</p>
<p>Electronic signatures</p>	<p>Given current social distancing requirements, it may be difficult for signing and certification of the accounts in hard copy this year. We may need to use electronic signatures for this purpose. We will liaise with the Head of Finance to ensure arrangements are in place irrespective of the approach taken.</p>
<p>Conducting the audit approach and obtaining audit evidence</p>	<p>Due to social distancing measures, Audit Wales staff are currently working remotely from home. As a result, we adopted new ways of working with the Finance team:</p> <ul style="list-style-type: none"> • held weekly Teams meetings with the Head of Finance throughout the audit to discuss progress and emerging issues; and • established a secure remote file transfer portal to safely share information.

- 9 We will be reviewing what we have learned for our audit process from the COVID-19 pandemic (both locally and nationally) and whether there are innovative practices that we might adopt in the future to enhance that process.

Proposed audit opinion

- 10 We intend to issue an **unqualified audit opinion** on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.
- 11 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
- 12 Our proposed audit report is set out in **Appendix 2**. The audit report also includes an Emphasis of Matter which draws attention to Note 36 'Pension Fund' which describes material valuation uncertainty clauses in the valuation reports on Pooled Property Funds held by the Gwynedd Pension Fund arising from circumstances

caused by the Covid-19 pandemic. The audit opinion is not modified in respect of this matter.

- 13 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.

Significant issues arising from the audit

Uncorrected misstatements

- 14 Where we identify misstatements that are not trivial but have no impact on our opinion, we raise them with management who have the option to amend for them. Where management decide not to amend, their decision needs to be ratified by those charged with governance to ensure they agree. We set out below the misstatement we identified in the financial statements, which have been discussed with management, but which they have chosen not to amend. Management inform us that these matters will be resolved for 2020-21. We do not consider this to be material to our audit opinion.
- 15 Cut off testing of 2019-20 expenditure identified one item of plant with a value £60,638.81 was not delivered until September 2020. The payment should have resulted in the recognition of a prepayment as opposed to an asset in the Balance Sheet at 31 March 2020. Therefore, Property, Plant and Equipment is overstated by a corresponding amount, a depreciation charge has been reflected in the Comprehensive Income and Expenditure account in error with a subsequent reversal in the Capital Adjustment Account.

Corrected misstatements

- 16 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.

Other Significant Issues arising from the audit

- 17 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. We have previously reported a need for the Authority to improve its working papers and strengthen quality assurance arrangements. Whilst we recognise the impact and challenges posed by the Covid-19 pandemic on the Authority's, the need for improvement in key areas remains, including:
 - Working papers in support of Property, Plant and Equipment disclosed in the financial statements, in particular merging the two Fixed Asset Registers to

reduce the complexity of recording assets on different registers. Little progress has been made since last year.

- Working papers for other account areas need to be strengthened to ensure they are comprehensive and accurately support the entries in the financial statements. In particular, the Authority needs to strengthen the review of its income account year-end bank reconciliation as part of its closedown arrangements as there was an unresolved difference in the version originally presented for audit.
- A need for the Authority to develop its quality assurance arrangements for reviewing the financial statements prior to them being submitted for audit. Whilst we recognise the impact and challenges posed by the Covid-19 pandemic on the Authority's closedown arrangements, we still identified a large number of minor errors and inconsistencies in the financial statements which impacted on the delivery and timeliness of our audit work.

- 18 Improving your working papers, including the bank reconciliation, and strengthening your quality assurance arrangements, will help reduce the number of audit queries, releasing time for the finance team to complete other tasks. We will work with the Head of Finance over the coming months to develop clearer working papers and clarify our requirements going forward.

Appendix 1

Final Letter of Representation

Audited body's letterhead

Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

18 November 2020

Representations regarding the 2019-20 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Snowdonia National Park Authority for the year ended 31 March 2020 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our] knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- The preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20; in particular the financial statements give a true and fair view in accordance therewith.
- The design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- Full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects Snowdonia National Park Authority and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and

accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

There is one uncorrected misstatement in the financial statements relating to Property, Plant and Equipment included in the Balance Sheet at £60,638.81 leading to an overstatement. It has been decided not to adjust for the error because of the ripple effect through the statement that would require many changes. The misstatement is an accounting entry only and is not material to the financial statements.

Representations by Snowdonia National Park Authority

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Authority on 18 November 2020.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Signed by:

Dafydd L Edwards
Chief Finance Officer
18 November 2020

Cllr. Wyn Ellis-Jones
Chairman
18 November 2020

Appendix 2

Proposed independent auditor's report of the Auditor General for Wales to the members of Snowdonia National Park Authority

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Snowdonia National Park Authority for the year ended 31 March 2020 under the Public Audit (Wales) Act 2004.

Snowdonia National Park Authority's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the accounting policies and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-2020 based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the financial position of Snowdonia National Park Authority as at 31 March 2020 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Authority's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – effects of Covid-19 on the Authority's pooled property pension fund valuations

I draw attention to Note 36 to the financial statements, which describe material valuation uncertainty clauses in the valuation report on the Authority's Pooled Property Funds held by the Gwynedd Pension Fund arising from circumstances caused by the Covid-19 pandemic. My opinion is not modified in respect of this matter.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the responsible financial officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about Snowdonia National Park Authority's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The responsible financial officer is responsible for the other information in the Statement of Accounts. The other information comprises the information included in the Statement of Accounts other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated later in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019-20;
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Snowdonia National Park Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Snowdonia National Park Authority in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 10, the responsible financial officer is responsible for the preparation of the statement of accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing Snowdonia National Park Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Authority's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Adrian Crompton
Auditor General for Wales
20 November 2020

24 Cathedral Road
Cardiff
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Appendix 3

Summary of Corrections Made

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 2: summary of corrections made

Nature of correction	Reason for correction	Impact
<p>Gross expenditure and Gross Income in 'The Comprehensive Income and Expenditure Statement' were amended for the 'Corporate' service line by £15,000.</p>	<p>The service line gross income and expenditure was misstated as the supporting working paper omitted cost centre E10 from the analysis in error.</p>	<p>The change had no other impact as the amendment to gross income and expenditure netted off.</p>
<p>Note 1b 'Note on Income and Expenditure on a Segmental Basis' IAS19 Pension adjustments 2018-19 - total for 'Planning, Cultural Heritage and Land Management' was amended from £21,000 to £643,000.</p>	<p>The total 2018-19 IAS19 Pensions Adjustment value for 'Planning, Cultural Heritage and Land Management' was incorrectly cast.</p>	<p>The change had no other impact on the financial statements.</p>
<p>Note 1c 'Note on Expenditure and Income analysed by Nature' was amended:</p> <ul style="list-style-type: none"> • 'Expenditure – Other services expenses' from £5,403,000 to £5,303,000. • 'Income – Fees, charges and other service income' from £(2,513,000) to £(2,413,000). 	<p>The analysis of the Authority's expenditure and income disclosed in Note 1c was amended to agree with Comprehensive Income and Expenditure account and supporting records by omitting internal transfer amounts.</p>	<p>The change had no other impact on the financial statements.</p>

Nature of correction	Reason for correction	Impact
<p>Note 18 'Cash and cash equivalents – Bank current accounts' was amended from £1,098,000 to £1,051,000.</p>	<p>A debtor of £46,800 was misclassified as a bank balance.</p>	<p>The change increased trade debtors in Note 17 by a corresponding amount. Corresponding adjustments were included in the Balance Sheet and Cash Flow Statement.</p>
<p>Note 19 'Creditors' was amended:</p> <ul style="list-style-type: none"> • Short-term – 'Other' from £(1,022,000) to £(990,000). • Long term creditors (amounts payable after one year) from £(398,000) to £(430,000). 	<p>Long-term creditors of £32,000 relating to the ERAMMP grant were misclassified as short-term creditors.</p>	<p>Corresponding adjustments were included in the Balance Sheet.</p>
<p>Note 36 'Pension Fund 'Change in the Fair Value of Plan Assets, Defined Benefit Obligations and Net Liabilities for the year ended 31st March 2020 – Present value of funded liabilities – Obligations' was amended from £36,489,000 to £36,436,000.</p>	<p>The present value of funded liabilities did not agree the actuary's IAS19 report.</p>	<p>The change had no other impact on the financial statements.</p>



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.