

# SNOWDONIA NATIONAL PARK AUTHORITY

## STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022



# SNOWDONIA NATIONAL PARK AUTHORITY

## STATEMENT OF ACCOUNTS 2021/22

### INDEX

<a href="#">Narrative Report .....</a>	<a href="#">3</a>
<a href="#">The Statement of Responsibilities .....</a>	<a href="#">11</a>
<a href="#">Statement of Accounting Policies .....</a>	<a href="#">12</a>
<a href="#">The Comprehensive Income and Expenditure Statement .....</a>	<a href="#">23</a>
<a href="#">Balance Sheet .....</a>	<a href="#">24</a>
<a href="#">The Movement in Reserves Statement.....</a>	<a href="#">25</a>
<a href="#">Cash Flow Statement.....</a>	<a href="#">27</a>
<a href="#">Notes To The Financial Statements.....</a>	<a href="#">28</a>
<a href="#">Annual Governance Statement 2021-22.....</a>	<a href="#">79</a>
<a href="#">Glossary Of Terms.....</a>	<a href="#">111</a>

## 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 23 to 27 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 31<sup>st</sup> March 2022.
- 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 the Snowdonia National Park Management Plan in the meeting on 13<sup>th</sup> October 2021 as follows :

*A culturally rich National Park with a thriving green economy, world class visitor experience and a major contributor to the well-being of our nation.*

*By 2035 Snowdonia will continue to be a protected and evolving landscape, safeguarded and enhanced to provide a rich, varied and resilient natural and historic environment; providing wellbeing 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.*

In accordance with the Future Generations Well-Being Act (Wales 2015) the Authority has adopted a Well-Being Statement 2021-2026 in March 2021.

<https://snowdonia.gov.wales/wp-content/uploads/2022/03/SNPA-WELL-BEING-STATEMENT-2021-26.pdf>

This document provides the context for the corporate programme providing detail on specific corporate well-being and improvement objectives, and presented annually in the April Authority meeting. The agenda is available through the following link:

<https://authority.snowdonia.gov.wales/wp-content/uploads/2022/04/Authority-27.04.22.pdf>

### 3 FINANCIAL CONTEXT

#### FINANCIAL PERFORMANCE AND YEAR END POSITION

The revised 2021/22 budget as reported to the Performance and Resource Committee on 13<sup>th</sup> July 2022 was as below.

	<b>Budgeted</b>	<b>Actual</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Planning & Land Management	1,620,267	1,043,627	576,640
Corporate	5,334,234	3,855,382	1,478,852
Interest	(8,000)	(11,612)	3,612
Capital funding from revenue	1,746,003	507,881	1,238,122
Capital Charge adjustment	(591,050)	(591,050)	-
<b>Net</b>	<b>8,101,454</b>	<b>4,804,228</b>	<b>3,297,226</b>
NPG & Levy	(5,493,051)	(5,493,051)	-
TFR to/from reserves	(2,608,403)	688,823	(3,297,226)
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

The net variance of £3,297,226 was adjusted for end of year transfers to & from reserves (further information in par. 4.2 of said report) leaving a balance of £516,324 to be allocated. This figure was amalgamated into the revised balances in the Authority reserves. The report is item 8 on the following link -

<https://snowdonia.gov.wales/wp-content/uploads/2022/07/PerformanceResources-Committee13.07.22.pdf>

During the process of compiling the Statement of Accounts the following adjustments were made to the outturn resulting in increasing the balance to be allocated to £537,463.70. The adjusted net expenditure figures appear in the Expenditure and Funding Analysis (note 1 to the main statements).

	Outtrun	Adjustments	EFA (Note 1)
	(£)	(£)	(£)
Planning and Land Management	1,043,627	2,034	1,045,661
Corporate	3,855,382	(23,171)	3,832,211
	<b>4,899,009</b>	<b>(21,137)</b>	<b>4,877,872</b>
Other movements			
<b>Balance</b>	<b>516,324</b>		<b>537,461</b>

The movement 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 **£3,960k**, the main reasons being the **pension fund liability** decrease of **£6,433k**, as well as a net decrease in the value of **Long Term Assets** of **£3,051k** following the revaluation at the start of the year. Other movements are as follows :

- **Current Assets** value has decreased by **£131k**. The main effect due to :

Cash and investments - (£988k) arising from grant monies and additional income including :  
£178k relating to ERAMMP grant scheme  
£281k Sustainable Landscapes Sustainable Places grants (S.L.S.P.),  
and £89k of SLSP grant administrative fee, unspent in 2021/22.  
£480k additional income from car parking fees

Debtors – there was a decrease of £1,118k in the debtor balance in, which brings the current asset decrease to £130k. The decrease in the debtor balance in due to less grant monies due compared to the previous year such as from the Celtic Rainforest project, and SMS project.

- **Current Liabilities** have decreased by **£417k** mainly due to

**£198k** less grants received in advance, ,  
**£222k** decrease in trade creditor balance  
**£3k** increase in 'Other' Creditor balance

Comprehensive Income and Expenditure Account :

The net cost of services has increased by £3,791k, with the movements per directorate as follows :

▪ Planning and Land Management	+£272k
▪ Corporate (including Communication)	+£3,562k
▪ Non-distributable costs	- £43k

Main movements are as follows :

Expenditure

- £330k increase in REFCUS total spend in 2021/22 compared to 2020/21
- £653k increase in IAS19 pension adjustment to the services in 2021/22
- £2,884k revaluation loss charged to services in 2021/22
- £318k decrease in the depreciation charge to services
- £265k less expenditure on redundancies in 2021/22 compared to 2020/21
- There was generally less expenditure on grant schemes in 2021/22

Income

- £2,803k decrease in Welsh Government grants received relating to projects
- £118k less contributions from sources other than Welsh Government

In addition to receiving grant funding the Authority also generates its own income. Note 1c to the main statements shows £2,421k (£1,433k in 2020/21) generated from fees, charges and other service based income; of this the main components are as follows :

▪ Car Park fee income	£1,276k (£472k in 2020/21)
▪ Planning Fees	£227k (£248k in 2020/21)
▪ Information Centre Sales	£189k (£63k in 2020/21)
▪ Rent	£56k (£32k in 2020/21)

Overall, despite the increase in the above fees, income decreased generally in 2021/22. This decrease is mainly due to a decrease in grant contributions in the year.

**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 £884k as at 31<sup>st</sup> of March 2022. The hypothetical figure has decreased by £6,433k since 31<sup>st</sup> of March 2021. The main reason for this is the effect of the change in Actuarial assumptions in relation to national developments. (detail in note 35)

## 6. UNUSUAL CHARGE OR CREDIT IN THE ACCOUNTS

The main items are :

- capital grants worth £1,141k received from Welsh Government
- grants and refunds worth £242k received in relation to the pandemic

## 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 2021/22 amounted to £1,609k. Details of expenditure within each service area are shown in note 30. The expenditure was financed by grants and contributions from other bodies (£1,328) and direct revenue financing (£281k).

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 31<sup>st</sup> March 2022 were :

- The Town Heritage Scheme at Dolgellau currently estimated at a cost of £2m. Scheme programmed to finish in December 2022.
- The Carneddau Partnership Scheme is now in its operational stage and estimated to be worth £4.17m. Scheme programmed to finish by March 2026.
- The Celtic Rainforests project is a 7 year project worth £7.6m. Scheme programmed to finish in 2025/26.

## 8. CAPITAL FUNDING

All capital expenditure of the Authority, since being established on 23<sup>rd</sup> 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 31<sup>st</sup> March 2022 the Authority had no outstanding debts to finance capital expenditure, and for treasury management purposes will remain a debt-free authority.

## 9. USABLE RESERVES

The General Revenue Reserve balance was reviewed during the year as part of a review of Authority reserves, and currently stands at £850k.

The Authority has specific Usable Reserves totalling £9,684k 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 and Ysgwrn have separate Management Boards each consisting of 3 members.

Further information on governance and related issues relating to 2021/22 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 4 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 2022/23 based on the National Park Grant figure as advised by Welsh Government officers in December 2021. Welsh Government have indicated that settlement figures for 2023/24 will remain the same as the 2022/23 figures. In light of the current economic climate and considerable inflationary pressures, this will be challenging for the Authority.

At the time of writing, the Authority's cash flow is adequate, but the situation may need to be re-evaluated depending on the settlement figures announced by the Welsh Government for 2023/24.

In relation to Covid-19, the Authority has received financial support via Non-Domestic tax saving and also business support grants from Gwynedd and Conwy councils, grant support specific to Yr Ysgwrn and the job furlough scheme during 2021/22.

The Authority has considered the position of tenants and consented to a reduction in rent where necessary. Where Capital and Grant projects have been delayed, the Authority have discussed with the relevant fund providers and partners and been granted an extension where appropriate e.g. Dolgellau Townscape Heritage and Carneddau Landscape Partnership schemes.

The Authority has checked the Park Management Plan against the lessons learned as a result of Covid. A review of the Local Development Plan will commence within the next 2 years (with the exact date of review to be determined primarily by the LDP Annual Monitoring Report) and this will also consider the challenges for the area resulting from Covid. 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:

Sian Wyn Owen  
Head of Finance  
Snowdonia National Park Authority  
National Park Offices  
Penrhyndeudraeth  
Gwynedd  
LL48 6LF  
Tel: 01766 772 251  
Email: [sian.owen@eryri.llyw.cymru](mailto:sian.owen@eryri.llyw.cymru)

## 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 12 June 2024

Signature :

  
 CLLR ..... CHAIR

### CLLR EDGAR W. OWEN CHAIR

### 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 2021.

Signature



12 June 2024

**DEWI A. MORGAN - 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 2021/22 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**

During 2021/22, the Authority changed its accounting policy in relation to Community Assets, which are now held at valuation rather than historic cost.

**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 2.7% 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 31/3/2022 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:

- Assets under construction and heritage assets – 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 1<sup>st</sup> 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 straight line depreciation method

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 (H.M.R.C.). VAT receivable is excluded from income. It is the Authority's practice to include any input tax which cannot be recovered from H.M. Revenue and Customs within the costs of relevant services. As a result of the change in Plas Tan y Bwlch's current business model, the Authority has not sustained any irrecoverable VAT cost there in 2021/22.

## 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.

2020/21	2020/21	2020/21		2021/22	2021/22	2021/22
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure
£'000	£'000	£'000		£'000	£'000	£'000
6,891	(5,062)	1,829	Planning and Land Management	4,468	(2,367)	2,101
5,304	(1,597)	3,707	Corporate	9,746	(2,477)	7,269
43	0	43	Non-distributable Costs			0
<b>12,238</b>	<b>(6,659)</b>	<b>5,579</b>	<b>Net Cost of Service</b>	<b>14,214</b>	<b>(4,844)</b>	<b>9,370</b>
		5	Other Operating Expenditure	0		
		99	Financing and Investment Income and Expenditure (note 10)	145		
		<b>5,683</b>	<b>Net Operating Expenditure</b>	<b>9,515</b>		
		(6,246)	Non-specific grant Income (note 11)	(5,845)		
		(563)	<b>Surplus (-) / Defecit on Provision of Services for the year)</b>	3,670		
		296	Net surplus on revaluation of fixed assets and impairment losses charged to the revaluation reserve (note 21)	74		
		2,113	Actuarial gains/ losses on pension assets/ liabilities (note 35)	(7,704)		
		2,409		(7,630)		
		<b>1,846</b>	<b>Total Comprehensive Income and Expenditure</b>	<b>(3,959)</b>		

## 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".

2020/21		Notes	2021/22
£'000			£'000
17,529	Property, Plant & Equipment	12	14,482
798	Heritage Assets	13	807
25	Long Term Debtors	17	12
<b>18,352</b>	<b>Long Term Assets</b>		<b>15,301</b>
5,334	Short Term Investments	15	7,848
117	Inventories	16	116
3,146	Short Term Debtors	17	2,028
3,859	Cash & Cash Equivalents	18	2,333
<b>12,456</b>	<b>Current Assets</b>		<b>12,325</b>
(2,862)	Short Term Creditors	19	(1,756)
0	Provisions	28	(689)
<b>(2,862)</b>	<b>Current Liabilities</b>		<b>(2,445)</b>
(7,317)	Pension Fund Liability	35	(884)
(743)	Long Term Creditors	28	(452)
<b>(8,060)</b>	<b>Long Term Liabilities</b>		<b>(1,336)</b>
<b>19,886</b>	<b>Net Assets</b>		<b>23,846</b>
(9,137)	Usable Reserves	8	(9,684)
(10,749)	Unusable Reserves	21	(14,162)
<b>(19,886)</b>	<b>Total Reserves</b>		<b>(23,846)</b>



## 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 2021/22

	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
<b>Balance as at 31 March 2021 brought forward</b>	<b>(6,560)</b>	<b>(164)</b>	<b>(2,413)</b>	<b>(9,137)</b>	<b>(10,749)</b>	<b>(19,886)</b>
Total Comprehensive Income and Expenditure	3,670	-	-	3,670	(7,630)	(3,960)
Adjustments between accounting basis & funding basis under regulations (note 7)	(4,536)	-	319	(4,217)	4,217	-
<b>Increase / Decrease in 2021/22</b>	<b>(866)</b>	<b>-</b>	<b>319</b>	<b>(547)</b>	<b>(3,413)</b>	<b>(3,960)</b>
<b>Balance as at 31 March 2022 carried forward</b>	<b>(7,426)</b>	<b>(164)</b>	<b>(2,094)</b>	<b>(9,684)</b>	<b>(14,162)</b>	<b>(23,846)</b>
General Fund	(850)					
Earmarked Reserves	(6,576)	(see note 8)				
	<b>(7,426)</b>					

**MOVEMENT IN RESERVES STATEMENT 2020/21**

<b>MOVEMENT IN RESERVES STATEMENT 2020/21</b>						
	<b>General Fund &amp; Earmarked Reserves</b>	<b>Capital Receipts Reserve</b>	<b>Capital Grants Unapplied Reserve</b>	<b>Total Usuable Reserves</b>	<b>Unusable Reserves</b>	<b>Total Authority Reserves</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance as at 31 March 2020 brought forward</b>	<b>(5,618)</b>	<b>(163)</b>	<b>(2,257)</b>	<b>(8,039)</b>	<b>(13,693)</b>	<b>(21,732)</b>
Total Comprehensive Income and Expenditure	(563)	-	-	(563)	2,409	1,846
Adjustments between accounting basis & funding basis under regulations (note 7)	(379)	-	(156)	(535)	535	-
<b>Increase / Decrease in 2020/21</b>	<b>(942)</b>	<b>-</b>	<b>(156)</b>	<b>(1,098)</b>	<b>2,944</b>	<b>1,846</b>
<b>Balance as at 31 March 2021 carried forward</b>	<b>(6,560)</b>	<b>(164)</b>	<b>(2,413)</b>	<b>(9,137)</b>	<b>(10,749)</b>	<b>(19,886)</b>
General Fund	(663)					
Earmarked Reserves	(5,897)	(see note 8)				
	<b>(6,560)</b>					

## 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.

2020/21 £'000		2021/22 £'000
(563)	Net Surplus or Defecit on the provision of services	3,670
(1,454)	Adjustment ot net suplus or deficit on the provision of services for non-cash movements (note 22)	(5,265)
1,525	Adjusments for items included in the net suplus or deficit on the provision of services that are investing and financing activities	689
<b>(492)</b>	<b>Net cash flows from Operating Activities</b>	<b>(906)</b>
(711)	Investing Activities (note 23)	2,444
(15)	Financing Activities (note 24)	(12)
(1,218)	Net increse (-) or decrease (+) in cash and cash equivalents	1,526
2,641	Cash and cash equivalents at the beginning of the reporting period	3,859
<b>3,859</b>	<b>Cash and Cash equivalents at the end of the reporting period (note 18)</b>	<b>2,333</b>

## 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.

2021/22					
	Net Expenditure Chargeable to General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Adjustments between Outturn and Comprehensive Income and Expenditure Statement	Outturn
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Planning and Land management	938	(1,163)	2,101	1,055	1,046
Corporate and Communication	3,896	(3,373)	7,269	3,437	3,832
Costs that cannot be allocated	-	-	-	-	-
<b>Net Cost of Services</b>	<b>4,834</b>	<b>(4,536)</b>	<b>9,370</b>	<b>4,492</b>	<b>4,878</b>
Other Income and Expenditure	(5,700)	-	(5,700)	(5,700)	-
<b>Surplus/ Defecit</b>	<b>(866)</b>	<b>(4,536)</b>	<b>3,670</b>	<b>(1,208)</b>	<b>4,878</b>
<b>Opening balance</b>	<b>(6,560)</b>				
Surplus for the year	(866)				
<b>Closing Balance</b>	<b>(7,426)</b>				
	(850)	General Fund			
	(6,576)	Earmarked Reserves (note 8)			
	<b>(7,426)</b>				

2020/21					
	Net Expenditure Chargeable to General Fund	Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Adjustments between Outturn and Comprehensive Income and Expenditure Statement	Outturn
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Planning and Land management	1,875	46	1,829	323	1,506
Corporate and Communication	3,325	(382)	3,707	589	3,118
Costs that cannot be allocated	-	(43)	43	43	-
<b>Net Cost of Services</b>	<b>5,200</b>	<b>(379)</b>	<b>5,579</b>	<b>955</b>	<b>4,624</b>
Other Income and Expenditure	(6,142)	-	(6,142)	(6,142)	-
<b>Surplus/ Defecit</b>	<b>(942)</b>	<b>(379)</b>	<b>(563)</b>	<b>(5,187)</b>	<b>4,624</b>
<b>Opening balance</b>	<b>(5,618)</b>				
Surplus for the year	(942)				
<b>Closing Balance</b>	<b>(6,560)</b>				
	(663)	General Fund			
	(5,897)	Earmarked Reserves (note 8)			
	<b>(6,560)</b>				

**1A NOTE ON ADJUSTMENTS BETWEEN THE FUNDING AND ACCOUNTING BASIS**

<b>Adjustments from the general fund to arrive at the CI &amp; E statement amounts</b>	<b>Adjustment for Capital Purposes</b>	<b>Net Change for the Pensions &amp; Employee Benefit adjustments</b>	<b>Other differences</b>	<b>Total Adjustments</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Planning and Land Management</b>	(552)	(611)	-	(1,163)
<b>Corporate</b>	(2,747)	(626)	-	(3,373)
<b>Costs that cannot be allocated</b>	-	-	-	-
<b>Net Cost of Services</b>	<b>(3,299)</b>	<b>(1,237)</b>	-	<b>(4,536)</b>
Other income and Expenditure from the Exp. And Inc Analysis	-	-	-	-
<b>Difference between the General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Suplus or Deficit on the Provision of Services</b>	<b>(3,299)</b>	<b>(1,237)</b>	-	<b>(4,536)</b>

<b>Adjustments between Funding and Accounting Basis 2020/21</b>				
<b>Adjustments from the general fund to arrive at the CI &amp; E statement amounts</b>	<b>Adjustment for Capital Purposes</b>	<b>Net Change for the Pensions &amp; Employee Benefit adjustments</b>	<b>Other differences</b>	<b>Total Adjustments</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Planning and Land Management</b>	317	(271)	-	46
<b>Corporate</b>	28	(410)	-	(382)
<b>Costs that cannot be allocated</b>	-	(43)	-	(43)
<b>Net Cost of Services</b>	<b>345</b>	<b>(724)</b>	-	<b>(379)</b>
Other income and Expenditure from the Exp. And Inc Analysis	-	-	-	-
<b>Difference between the General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Suplus or Deficit on the Provision of Services</b>	<b>345</b>	<b>(724)</b>	-	<b>(379)</b>

**1B NOTE ON INCOME AND EXPENDITURE ON A SEGMENTAL BASIS**

<b>Income Analysed by Segment</b>		
	<b>2020/21</b>	<b>2021/22</b>
<b>Fees, charges and other service income</b>	<b>£'000</b>	<b>£'000</b>
Planning, Cultural Heritage and Land Management	(542)	(640)
Corporate	(891)	(1,781)
	<b>(1,433)</b>	<b>(2,421)</b>

<b>Significant 'non-cash' costs analysed by Segment</b>							
	<b>Planning, Cultural Heritage and Land Management</b>		<b>Corporate (including Communication)</b>		<b>Totals</b>		
	<b>2020/21</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2021/22</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Depreciation	142	135	535	224	677	359	
Revaluation Loss	60	469	197	3,068	257	3,271	
Revenue Expenditure Funded from Capital Under Statute	617	338	-	13	617	351	
IAS 19 Pension Adjustment	176	638	285	633	461	1,271	
Employee Accrual Adjustment	52	(27)	57	(7)	109	(34)	
<b>Totals</b>	<b>1,047</b>	<b>1,553</b>	<b>1,074</b>	<b>3,931</b>	<b>2,121</b>	<b>5,218</b>	



**1c NOTE ON EXPENDITURE AND INCOME ANALYSED BY NATURE**

<b>Expenditure and Income Analysed by Nature</b>				
The Authority's expenditure and income is analysed as follows:				
			<b>2020/21</b>	<b>2021/22</b>
Expenditure/ Income			<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>				
Employee benefits expenses			5,265	5,724
Other services expenses			5,996	4,861
Non distributable costs			43	-
Depreciation, amortisation, impairment, revaluation losses			934	3,629
<b>Total Expenditure</b>			<b>12,238</b>	<b>14,214</b>
				-
<b>Income</b>				
Fees, charges and other service income			(1,433)	(2,421)
Net interest on net defined benefit liability (IAS 19 pension adjustment)			111	157
Interest and investment income			(12)	(12)
Government grants and contributions			(5,226)	(2,423)
Non specific grant income			(6,246)	(5,845)
Gain on disposal of assets			5	
<b>Total income</b>			<b>(12,801)</b>	<b>(10,544)</b>
<b>Deficit on the provision of services</b>			<b>(563)</b>	<b>3,670</b>

**2. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED**

There are no standards that have an effect on the 2021/22 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 35.

<b>Item</b>	<b>Uncertainties</b>	<b>Effect if Actual Results Differ from Assumptions</b>
Pensions Liability (note 35)	<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 35.</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 referred to in note 5 of the Narrative Report.</p>
Property valuations (note 12)	<p>The Authority revalues its assets every 5 years. The last full valuation was undertaken on 1st April 2021. 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>	<p>A fluctuation in property values would impact on the values held in the Balance Sheet and on the corresponding depreciation charge.</p>

**5. MATERIAL ITEMS OF INCOME AND EXPENSE**

The Authority received specific grants from Welsh Government and other public bodies worth £2,520,566 in 2021/22.

£242,579 support grants were received in lieu of the effect of the pandemic.

**6. EVENTS AFTER THE BALANCE SHEET DATE**

The Statement of Accounts have been approved for publication by the Chief Finance Officer as at 31<sup>st</sup> August 2022. 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 31<sup>st</sup> March 2022, 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.

2021/22	Useable Reserves			Movement in Unuseable Reserves
	General Fund Balance	Capital Receipts Reserves	Capital Grants Unapplied Reserve	
	£'000	£'000	£'000	
<b>ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL ADJUSTMENTS ACCOUNT</b>				
<b>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement</b>				
Charges for depreciation, impairment and revaluation losses on non-current assets	(742)	-	-	742
Losses on revaluation	(2,884)	-	-	2,884
Net book value of assets disposed of	-	-	-	-
Capital grants and contributions applied	168	-	-	(168)
Revenue expenditure funded from capital under statute	(351)	-	-	351
<b>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement</b>				
Capital grants received in previous financial years and used in 2021/22	-	-	604	(604)
Capital grants received in previous years and transferred to revenue in 2021/22	(57)	-	-	57
Capital Expenditure Charges against the General Fund 2020/21	281	-	-	(281)
<b>ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL GRANTS UNAPPLIED ACCOUNT</b>				
Capital grant received in 2020/21 and transferred to revenue in 2021/22	-	-	-	-
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	286	-	(286)	-
<b>ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL RECEIPTS RESERVE</b>				
Capital Receipts used in 2021/22	-	-	-	-
Capital receipts in 2021/22 not utilised	-	-	-	-
<b>ADJUSTMENTS PRIMARILY INVOLVING THE PENSION RESERVE</b>				
Reversal of Items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	(1,979)	-	-	1,979
Employers Pension Contribution and direct payments to pensioners payable in the year	708	-	-	(708)
<b>ADJUSTMENTS PRIMARILY INVOLVING THE ACCUMULATED ABSENCES ACCOUNT</b>				
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	34	-	-	(34)
<b>Total</b>	<b>(4,536)</b>	<b>-</b>	<b>319</b>	<b>(4,217)</b>

2020/21	Useable Reserves			
	General Fund Balance	Capital Receipts Reserves	Capital Grants Unapplied Reserve	Movement in Unuseable Reserves
	£'000	£'000	£'000	£'000
<b>ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL ADJUSTMENTS ACCOUNT</b>				
<b>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement</b>				
Charges for depreciation, impairment and revaluation losses on non-current assets	(677)	-	-	677
Losses on revaluation	(257)	-	-	257
Net book value of assets disposed of	(16)	-	-	16
Capital grants and contributions applied	905	-	-	(905)
Revenue expenditure funded from capital under statute	(272)	-	-	272
<b>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement</b>				
Capital grants received in previous financial years and used in 2020/21	-	-	334	(334)
Capital grants received in previous years and transferred to revenue in 2020/21	(5)	-	5	-
Capital Expenditure Charges against the General Fund 2020/21	172	-	-	(172)
<b>ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL GRANTS UNAPPLIED ACCOUNT</b>				
Capital grant received in 2019/20 and transferred to revenue in 2020/21	-	(10)	10	-
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	505	-	(505)	-
<b>ADJUSTMENTS PRIMARILY INVOLVING THE CAPITAL RECEIPTS RESERVE</b>				
Capital Receipts used in 2020/21	-	-	-	-
Capital receipts in 2020/21 not utilised	-	-	-	-
<b>ADJUSTMENTS PRIMARILY INVOLVING THE PENSION RESERVE</b>				
Reversal of Items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	(1,289)	-	-	1,289
Employers Pension Contribution and direct payments to pensioners payable in the year	674	-	-	(674)
<b>ADJUSTMENTS PRIMARILY INVOLVING THE ACCUMULATED ABSENCES ACCOUNT</b>				
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	(109)	-	-	109
<b>Total</b>	<b>(369)</b>	<b>(10)</b>	<b>(156)</b>	<b>535</b>

**8. TRANSFERS TO/FROM EARMARKED RESERVES**

	Balance at 31 March 2020	Transfers out 2020/21	Transfers in 2020/21	Balance at 31 March 2021	Transfers out 2021/22	Transfers in 2021/22	Balance at 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Earmarked Revenue and Capital reserves (approved as earmarked revenue and capital expenditure)	(372)	50	(234)	(556)	556	(775)	(775)
Specific Risks Reserves (to meet probable budget pressures)	(424)	-	-	(424)			(424)
Planning Reserve (To meet costs of Public Enquiry)	(225)	-	-	(225)	-	-	(225)
Match Funding Revenue Reserve (For Convergence Fund Purposes)	(1,063)	297	(298)	(1,064)	216	(114)	(962)
Revenue Grants reserve	(1,720)	313	(702)	(2,109)	810	(265)	(1,564)
Pen y Pass Income reserve (for facilities related to Snowdon)	(56)		-	(56)	-	-	(56)
Section 106 reserve (for purposes related to affordable housing)	(240)	50	(105)	(295)	36	(226)	(485)
Projects reserve	(405)	190	(289)	(504)	154	(592)	(942)
Asset Management Reserve	(234)	29	(239)	(444)	57	(536)	(923)
Staff Resilience Reserve	(120)	-	-	(120)	-	-	(120)
Commercial Risk reserve	(100)	-	-	(100)	-	-	(100)
	<b>(4,959)</b>	<b>929</b>	<b>(1,867)</b>	<b>(5,897)</b>	<b>1,829</b>	<b>(2,508)</b>	<b>(6,576)</b>
<b>Other Reserves</b>				-			-
General Fund	(659)	-	(4)	(663)	45	(232)	(850)
Capital:				-			-
Capital Grants Unapplied reserve	(2,257)	1,321	(1,477)	(2,413)	1,184	(865)	(2,094)
Useable Capital Receipts reserve (to only finance capital expenditure)	(164)	20	(20)	(164)	-	-	(164)
	<b>(8,039)</b>	<b>2,270</b>	<b>(3,368)</b>	<b>(9,137)</b>	<b>3,058</b>	<b>(3,605)</b>	<b>(9,684)</b>

**9. OTHER OPERATING EXPENDITURE**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
5	Gains/losses on disposal of non-current assets	0

**10. FINANCING AND INVESTMENT INCOME AND EXPENDITURE**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
111	Net interest on the net defined benefit liability (asset)	157
(12)	Interest receivable and similar income	(12)
<b>99</b>	<b>Total</b>	<b>145</b>

**11. NON-SPECIFIC GRANT INCOME**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
(3,745)	National Park Grant	(4,190)
(1,249)	Levies on Constituent Authorities	(1,373)
(1,252)	Capital Grants and Contributions	(282)
<b>(6,246)</b>	<b>Total</b>	<b>(5,845)</b>



## 12. PROPERTY PLANT AND EQUIPMENT

### Movement on Balances

2021/22	Land and Buildings	Vehicles Plant & Equipment	Community	Surplus Assets	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>						
At 1 April 2021	18,892	2,177	108	-	210	21,387
Additions	382	121	25		106	634
Disposals		(104)				(104)
Reclassification	(21)					(21)
Revaluation gain (loss) to the CIES	(2,859)		(25)			(2,884)
Revaluation gain/ (loss) to the Revaluation Reserves	(485)		512	40		67
<b>At 31 March 2022</b>	<b>15,909</b>	<b>2,194</b>	<b>620</b>	<b>40</b>	<b>316</b>	<b>19,079</b>
<b>Accumulated Depreciation and Impairments</b>						
At 1 April 2021	(2,276)	(1,583)	-	-	-	(3,859)
Depreciation	(158)	(188)				(346)
Impairment	(496)					(496)
Disposals		104				104
<b>At 31st March 2022</b>	<b>(2,930)</b>	<b>(1,667)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,597)</b>
<b>Net Book Value at 31 March 2022</b>						
	<b>12,979</b>	<b>527</b>	<b>620</b>	<b>40</b>	<b>316</b>	<b>14,482</b>
<b>Net Book Value at 31 March 2021</b>						
	16,617	594	108	-	210	17,529

2020/21	Land and Buildings	Vehicles Plant & Equipment	Community	Surplus Assets	Assets under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>						
At 1 April 2020	18,702	1,951	108	-	147	20,908
Additions	615	332	-		185	1,132
Disposals		(106)				(106)
Reclassification	-					-
Revaluation gain (loss) to the CIES	(250)		-			(250)
Revaluation gain/ (loss) to the Revaluation Reserves	(296)		-	-		(296)
<b>At 31 March 2021</b>	<b>18,771</b>	<b>2,177</b>	<b>108</b>	<b>-</b>	<b>332</b>	<b>21,388</b>
<b>Accumulated Depreciation and Impairments</b>						
At 1 April 2020	(1,791)	(1,493)	-	-	-	(3,284)
Depreciation	(485)	(180)				(665)
Impairment	-					-
Disposals		90				90
<b>At 31st March 2021</b>	<b>(2,276)</b>	<b>(1,583)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,859)</b>
<b>Net Book Value at 31 March 2021</b>	<b>16,495</b>	<b>594</b>	<b>108</b>	<b>-</b>	<b>332</b>	<b>17,529</b>
Net Book Value at 31 March 2020	16,911	458	108	-	147	17,624

### 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

A revaluation of all land and building was carried out at 1<sup>st</sup> April 2021.

### Capital Commitments

The only capital commitment on tendered contracts the Authority has as at 31/03/2022 is:

- Dolgellau Heritage Townscape Scheme - £209k

### 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. These assets are held at historic cost.

2021/22	Ynys y	Craig yr		
	Pandy Slate Mill	Aderyn	Ysgwrn	Total
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
At 1 April 2021	-	28	818	846
Additions	-	-	31	31
Disposals	-	-	0	0
Reclassification	-	-	21	21
Revaluation gain/ (loss) to the Revaluation Reserve	-	-	-	-
<b>31 March 2022</b>	-	<b>28</b>	<b>870</b>	<b>898</b>
<b>Accumulated Depreciation and Impairment</b>				
1 April 2021	-	-	(48)	(48)
Depreciation and Impairment	-	-	(43)	(43)
<b>31 March 2022</b>	-	-	<b>(91)</b>	<b>(91)</b>
<b>Net Book value at 31 March 2022</b>	-	<b>28</b>	<b>779</b>	<b>807</b>
Net Book value at 31 March 2021	-	28	770	798

2020/21	Ynys y	Craig yr		
	Pandy Slate Mill	Aderyn	Ysgwrn	Total
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
1 April 2020	-	28	818	846
Additions			7	7
Reclassification			(7)	(7)
Revaluation loss to the CI&ES				-
<b>31 March 2021</b>	-	<b>28</b>	<b>818</b>	<b>846</b>
<b>Depreciation and Impairment</b>				
1 April 2020	-	-	(36)	(36)
Depreciation and Impairment	-	-	(12)	(12)
<b>31 March 2021</b>	-	-	<b>(48)</b>	<b>(48)</b>
<b>Net Book value at 31 March 2021</b>	-	<b>28</b>	<b>770</b>	<b>798</b>
Net Book value at 31 March 2020	-	28	782	810

**14. ASSETS HELD FOR SALE**

As at 31<sup>st</sup> March 2022 there were no assets held for sale. (As at 31/03/2021 no assets were designated as Assets for Sale).

**15. SHORT TERM INVESTMENTS**

As at 31<sup>st</sup> March 2022 the Authority held term deposits worth £7,848k. (£5,334 as at 31<sup>st</sup> March 2021).

**16. INVENTORIES**

Stocks are brought into account at cost price. Stocks held on 31<sup>st</sup> March 2022 consisted of :-

		<b>Balance as at 31 March 2021</b>	<b>Balance as at 31 March 2022</b>
		<b>£'000</b>	<b>£'000</b>
<b>Information</b>			
<b>Centres</b>	Goods for resale	82	75
<b>Access</b>	Snowdon maps	4	3
	Stones & bags	5	7
<b>Plas Tan y Bwlch</b>	Bar	1	1
	Goods for Resale	6	7
	Catering and cleaning	0	2
<b>Administation and Customer Care</b>	Protective Clothing	3	3
<b>Agriculture</b>	Trees	10	12
<b>Ysgwrn</b>	Café and shop goods	3	3
<b>Pen y Pass</b>	Goods for resale	2	2
<b>Llyn Tegid</b>	Goods for resale	1	1
<b>Total</b>		<b>117</b>	<b>116</b>

**17. DEBTORS**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
	Amounts falling due within one year :	
<b>96</b>	Trade	<b>93</b>
<b>119</b>	Prepayments	54
<b>2,931</b>	Other	1881
<b>3,146</b>		<b>2028</b>
	<b>Long Term debtors (amounts falling due after one year)</b>	
25	Car loans to employees	12
<b>25</b>		<b>12</b>

**18. CASH AND CASH EQUIVALENTS**

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

<b>31 March 2021</b>		<b>31 March 2022</b>
<b>£'000</b>		<b>£'000</b>
2	Cash held by the Authority	2
921	Bank current accounts	418
2,936	Short-term deposits with banks	1,913
<b>3,859</b>	<b>Total Cash and Cash Equivalents</b>	<b>2,333</b>

**19. CREDITORS**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
	Amounts payable within one year :	
(1,484)	Trade	(1,262)
(491)	Other	(494)
<b>(1,975)</b>		<b>(1,756)</b>

**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**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
(7,967)	Revaluation reserve	(7,920)
(10,385)	Capital adjustment account	(7,377)
7,317	Pensions Reserve	884
286	Accumulated Absences Account	251
<b>(10,749)</b>		<b>(14,162)</b>

**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 1<sup>st</sup> 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.



2020/21		2021/22
£'000		£'000
<b>(8,424)</b>	Balance as 1st April	<b>(7,967)</b>
-	Upward revaluation of assets	<b>(3,125)</b>
<b>296</b>	Downward revaluation of assets and impairment losses not charged to the Surplus/ Deficit on the Provision of Services	<b>3,199</b>
<b>296</b>	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	<b>74</b>
<b>161</b>	Depreciation on revaluation gains written off to the Capital Adjustment	<b>(27)</b>
<b>(7,967)</b>	<b>Balance as 31st March</b>	<b>(7,920)</b>

## 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 1<sup>st</sup> 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.

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
(10,035)	Balance ar 1st April	(10,385)
	<b>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement</b>	
677	Charges for depreciation and impairment of non-current assets	742
257	Revaluation losses on Property, Plant and Equipment	2,884
16	Book value of equipment disposals	-
272	Revenue Expenditure Funded from Capital Under Statute	352
<b>(8,813)</b>		<b>(6,407)</b>
	<b>Adjusting amounts written out of the Revaluation reserve</b>	
(161)	Depreciation adjustment	27
<b>(8,974)</b>	<b>Net written out amount of the cost of non-current assets consumed in the year</b>	<b>(6,380)</b>
	<b>Capital financing applied in the year</b>	
-	Capital grants received in previous years and transferred to revenue in 2021/22	57
(905)	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(168)
(334)	Application of grants to capital financing from the Capital Grants Unapplied Reserve	(605)
(172)	Capital expenditure charged against the General Fund balances	(281)
<b>(10,385)</b>	<b>Balance at 31st March</b>	<b>(7,377)</b>

## 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 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.

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
4,589	Balance at 1st April	7,317
2,113	Remeasurement of the net defined benefit liability/ (asset)	(7,704)
1,289	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	1,979
(674)	Employer's pension contributions and direct payments to pensioners payable in the year	(708)
<b>7,317</b>		<b>884</b>

## Accumulated Absences Account

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

2020/21		2021/22
£'000		£'000
177	Balance ar 1st April	286
(177)	Settlement or cancellation of accrual made at the end of the preceding year	(286)
286	Amount accrued at the end of the current year	251
109	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	(35)
<b>286</b>	<b>Balance at 31 March</b>	<b>251</b>

## 22. CASH FLOW STATEMENT – OPERATING ACTIVITIES

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

2020/21		2021/22
£'000		£'000
-677	Depreciation and impairment	(358)
-257	Revaluation losses on Property Plant and Equipment	(3,270)
-16	Revaluation gains against past losses	-
-1,298	Movement in creditors	702
1,423	Movement in debtors	(1,067)
-14	Movement in stock	(1)
-615	Provision of Services costs for post employment benefits	(1,271)
<b>-1,454</b>	<b>Balance at 31 March</b>	<b>(5,265)</b>

The cash flows from operating activities includes bank interest received of £12k (£11k in 2020/21).

**23. CASH FLOW STATEMENT – INVESTING ACTIVITIES**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
	Purchase of property, plant and equipment, investment property and intangible assets	665
1,139		
	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	-
-10		
	Proceeds from short term and long term investments	2,514
-133		
	Other receipts from investing activities	(735)
-1,707		
<b>-711</b>	<b>Balance at 31 March</b>	<b>2,444</b>

**24. CASH FLOW STATEMENT – FINANCING ACTIVITIES**

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
	Car loan repayments and related interest together with finance lease interest	(12)
-24		
	New car loans advances	-
10		
<b>-14</b>	<b>Balance at 31 March</b>	<b>(12)</b>

## 25. MEMBERS ALLOWANCES

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

The allowances paid to members were:-

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
91	Members Allowances	97
0	Travel & Subsistence	0
<b>91</b>		<b>97</b>

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.

<b>2020/21</b>		<b>2021/22</b>
<b>(£'000)</b>		<b>(£'000)</b>
91	Chief Executive Officer	92
23	SNPA Median Salary	29
3.88	Ratio	3.15

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

<b>2020/21</b>				<b>2021/22</b>		
<b>Salary</b>	<b>Employer Pension Contribution</b>	<b>Total</b>		<b>Salary</b>	<b>Employer Pension Contribution</b>	<b>Total</b>
<b>£'000</b>	<b>£'000</b>	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
91	18	109	Chief Executive Officer	92	18	110
7	1	8	Chief Finance Officer (Section 151)*	7	1	9
63	13	76	Director of Corporate Services	64	13	77
63	13	76	Director of Planning and Land Management Services	64	13	77

- \* The Chief Finance Officer was also Gwynedd Council's Head of Finance during the year, this relationship has been disclosed under note 29 – Related Parties.

No officers received a sum of over £60k (excluding Pension and Employer National Insurance Contributions) including a redundancy payment in 2021-22.

Number of Officers that received over £60k including salary and redundancy benefits.							
2020-21				2021-22			
Planning and Land Management	Corporate	Total	Range	Planning and Land Management	Corporate	Total	
0	1	1	60,000-64,999	0	0	0	
0	1	1	65,000-69,999	0	0	0	

### 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	
	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22
£'000							£'000	£'000
0-40	5	0	0	0	5	0	42	0
40-60	0	0	0	0	0	0	0	0
60-80	0	0	0	0	0	0	0	0
80-100	1	0	0	0	1	0	84	0
100-150	1	0	0	0	1	0	130	0
<b>Total</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>256</b>	<b>0</b>

**27. EXTERNAL AUDIT COSTS**

The Audit Wales 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 :-

<b>2020/21 £'000</b>	<b>Regulatory area</b>	<b>2021/22 £'000</b>
31	Fees payable to the auditor general for Wales with regard to external audit services carried out under the Code of Audit Practice prepared by the auditor general for Wales	29
17	Fees payable to the Auditor General for Wales in respect of statutory inspections and the LG Measure 2009	18
<b>48</b>	<b>Total</b>	<b>46</b>

Figures as noted in the Audit Wales Annual Audit Plan 2021-22 (including an adjustment to the financial audit cost due to extra work required and therefore also to the total cost figure for 2020/21).



**28. GRANT INCOME**

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2021/22

<b>2020/21</b>		<b>2021/22</b>
<b>£'000</b>		<b>£'000</b>
	<b>REVENUE GRANTS</b>	
	<b>Credited to Services</b>	
	<b>Planning and Land Management</b>	
409	Natural Resources Wales	25
14	National Trust	8
10	RSPB LIFE	10
653	EU LIFE	416
2,485	Welsh Government	354
85	Local Authorities	42
212	Heritage Lottery Fund	195
-	Welsh water	-
10	Woodland Trust	27
59	National Grid	77
121	WCVA	85
29	HMRC (Furlough scheme)	4
1	Other	30
<b>4,088</b>		<b>1,273</b>
	<b>Corporate</b>	
5	Natural Resources Wales	254
572	Welsh Government	243
72	Local Authorities	1
225	HMRC (Furlough Scheme)	23
2	Other	1
<b>876</b>		<b>522</b>
<b>4,964</b>	<b>Total</b>	<b>1,795</b>

2020/21		2021/22
£'000		£'000
	<b>CAPITAL GRANTS</b>	
	<b>Credited to non-specific grant income</b>	
	<b>Planning and Land Management</b>	
40	Heritage Lottery Scheme	-
245	Welsh Government	7
48	Other	
333		7
	<b>Corporate (including Communication)</b>	
913	Welsh Government	275
6	Other	
919		275
<b>1,252</b>	<b>Sub-total</b>	<b>282</b>
	<b>Credited to Services</b>	
	<b>Planning and Land Management</b>	
416	Welsh Government	305
187	Heritage Lottery Fund	126
(1)	Other	
<b>602</b>		<b>431</b>
	<b>Corporate</b>	
-	Welsh Government	428
(1)	Other	
<b>(1)</b>		<b>428</b>
<b>1,854</b>		<b>1,141</b>
	<b>Capital Grants Received in Advance and utilised in the current year</b>	
293	Welsh Government	604
34	Heritage Lottery Fund	
7	British Mountainerring Council	
<b>2,188</b>	<b>Sub-total</b>	<b>604</b>
<b>2,188</b>	<b>Total Capital Grants</b>	<b>1,745</b>

2020/21	GRANTS RECEIVED IN ADVANCE	2021/22
£'000		£'000
	<b>Amounts payable within one year :</b>	
(887)	Grants received in advance	(689)
<b>(887)</b>		<b>(689)</b>
	<b>Long Term payable (amounts falling due after one year)</b>	
(743)	Grants received in advance	(452)
<b>(743)</b>		<b>(452)</b>

The Authority has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that will require the monies or property to be returned to the giver. The balances at the year-end are as follows:

The £452k under Long Term grants represents :

- £253k Welsh Government grant for works on Hafod Eryri
- £95k ERAMMP grant.
- £48k contributions relating to the Dark Skies project.
- £1k relating to the Nant Peris TAIS scheme
- £56k LIFE Scheme – Welsh Water Grant

## 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 £1k 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. A member declared ownership of a business in which the authority purchased Washroom/Toilet consumables, these were business transactions uninfluenced by the member for a total below the materiality level. Another member declared that a relative is employed by Bangor University, income of £3k was received for accommodation at Plas Tan y Bwlch. This was in the normal course of business and uninfluenced by the member. Another member declared an interest that a relative is the owner of a Business in which authority purchased various hardware goods, these were business transactions uninfluenced by the member for a total below the materiality level. The total of members' allowances paid in 2021/22 is shown in note 25.

### **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. A member representing Welsh Government also disclosed that a close family member is a Natural Resources Wales' Board member. The member did not make any decisions in relation to NRW income and expenditure.

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 was Gwynedd Council's Head of Finance up until 31<sup>st</sup> December 2021. The Authority received circa £1.1m (including the levy) from Gwynedd Council in 2021/22 (£1.1m in 2020/21) This total also includes income received for searches relating to the Planning Service which are outside the influence of the Chief Finance Officer as well as income in relation to various grants which are included in note 28. Income is also received from Conwy County Council for searches relating to the Planning Service

A Head of service declared interest in a relative owning a metalwork business in which the Authority has paid £2k in 2021/22. The payments were in relation to Capital Grant Expenditure and a business purchase for agricultural purposes.

### **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 Authority with the following services during 2021/22:

- Pension Fund administration & Payroll Support Service (£7k)
- Internal audit Service (£9k)
- Temporary Support Service to the Finance Department (£6k)
- Temporary Human Resource Service (£16K)

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

2020/21		2021/22
£'000		£'000
-	<b>Opening Capital Financing Requirement</b>	-
	<b>Capital Investment</b>	
	<b>Property, Plant &amp; Equipment</b>	
	<b>Planning and Land Management</b>	
61	Ysgwrn	101
-	Pen y Pass & Llyn Tegid	16
53	Lidar scheme (Carneddau)	-
30	Equipment	31
42	Mobile Observatory and Dark Skies projects	-
-	Woodlands	45
-	Woodlands (SLSP Grant)	7
<b>186</b>		<b>200</b>
	<b>Corporate (including Communication)</b>	
-	Car park upgrades	40
-	Upgrade public conveniences	53
113	I.T. General Replacement programme	9
149	Vehicles	15
-	Equipment	26
29	Snowdon Partnership Scheme	16
54	Electricity charging points	7
-	New website	91
31	Dol Idris (TAIS scheme)	(1)
7	Ogwen Centre (TAIS scheme)	2
30	Nant Peris (TAIS scheme)	(3)
30	Betws y Coed Information Centre	9
-	I.T. (SLSP Grant)	43
351	Main Offices Heating System	39
-	Ogwen - Fibre Scheme	20
104	Morfa Dyffryn Boardwalks	20
-	Decarbonisation (SLSP Grant)	41
-	Electric Vehicle Charging Points (SLSP Grant)	35
23	Plas Tan y Bwch improvements	-
27	Hafod Eryri	-
5	Energy Efficiency Measures (grant scheme)	-
<b>953</b>		<b>462</b>
<b>1,139</b>		<b>662</b>

2020/21 £'000	Revenue Expenditure Funded from Capital under Statute	2021/22 £'000
	<b>Planning and Land Management</b>	
94	Built Environment schemes	9
253	Dolgellau Townscape Heritage Scheme	167
25	Dark Skies projects	58
18	Woodlands (Welsh Govt. grant)	3
28	Woodlands (SLSP grant)	104
-	Biodiversity (Welsh Govt. grant)	69
-	Conservation projects	42
2	Gorseddau	-
1	St Davids Hotel	-
<b>421</b>		<b>452</b>
	<b>Coporate</b>	
104	Access Improvements	72
33	Ffridd Uchaf	33
-	Pont Llugwy Capel Currig	6
-	Canolfan Ogwen (TAIS Scheme)	2
43	Bwlch Mawr - Brithdir	56
7	Cader Idris	24
-	Lon Gwyrfai (Welsh Govt. grant)	6
9	Llyn Nantlle (SLSP grant)	5
-	Eryri Community Fund	138
-	Crafnant - Capel Currig (SLSP grant)	147
-	Cwm Rhwyddfôr (SLSP grant)	6
<b>196</b>		<b>495</b>
<b>617</b>	REFCUS Total	<b>947</b>
<b>1,663</b>	<b>Total Expenditure</b>	<b>1,609</b>
	<b>Sources of Finance</b>	
	Capital Receipts	
(1,854)	Government Grants and other Contributions	(1,141)
(334)	Grant received in previous years and applied in 2020/21	(564)
99	SLSP grants Administration Fee	89
505	Grant received in advance in 2021/22	288
(172)	Sums set aside from revenue: Direct revenue contributions	(281)
<b>(1,663)</b>		<b>(1,609)</b>
	<b>Closing Capital Financing requirement</b>	
-	<b>Increase/decrease in Capital Financing Requirement</b>	-

From the total spend of £1,609,k (£1,663k in 2020/21), £947k (£617k in 2020/21) relates to expenditure on fixed assets not owned by the Authority. The relevant grants and contributions finance amounts to £595k (£345k in 2020/21). The net revenue expenditure funded from capital under statute is therefore £351k (£272k in 2020/21).

**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:

<b>31 March 2021</b>		<b>31 March 2022</b>
<b>£'000</b>		<b>£'000</b>
91	Not later than 1 year	138
210	Later than 1 year and not later than 5 years	340
10,105	Later than 5 years	12,070
<b>10,406</b>	<b>Total</b>	<b>12,548</b>

Lease costs of £36,710, (£28,355 in 2020/21) on **equipment** were charged to the Corporate Directorate within the Comprehensive Income and Expenditure Statement during the year.

Lease costs of £4,899, (£7,159 in 2020/21) on **Authority vehicles** were charged to the Corporate Directorate in the Comprehensive Income and Expenditure Statement during the year.

Lease costs of £82,583 (£83,266, in 2020/21) on **properties** were charged to Corporate (£70,103) and Planning and Land Management (£12,480,) in the Comprehensive Income and Expenditure Statement during the year.

**AUTHORITY AS LESSOR**Finance Leases

As at 31<sup>st</sup> March 2022 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 2021/22 was £56,242, (£32,581 in 2020/21).



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

<b>31 March 2021</b>		<b>31 March 2022</b>
<b>£'000</b>		<b>£'000</b>
62	Not later than 1 year	60
427	Later than 1 year and not later than 5 years	397
75,785	Later than 5 years	75,706
<b>76,274</b>	<b>Total</b>	<b>76,163</b>

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 basis of 2019/20 figures, whilst acknowledging no income for 2020/21 nor 2021/22.

The associated depreciation charge on the assets relevant to operating leases is £37,659 (2019/20 £37,569).

### **32. IMPAIRMENT LOSSES**

There were impairment losses of £496k arising on property, plant and equipment during 2021/22. The impairment losses are mainly a result of non-enhancing capital expenditure.

### **33. CONTINGENT LIABILITIES**

At 31<sup>st</sup> March 2022 the Authority had no contingent liabilities.

### 34. 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 2021/22. The value of the Authority's financial instruments is the same as their fair value.

### 35. 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 31<sup>ST</sup> MARCH 2022.**

<b>Period ended 31 March 2022</b>	<b>Assets</b>	<b>Obligations</b>	<b>Net (liability) / asset</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fair Value of employer assets	41,635	0	41,635
Present value of funded liabilities	0	48,550	(48,550)
Present value of unfunded liabilities	0	402	(402)
<b>Opening position as at 31 March 2021</b>	<b>41,635</b>	<b>48,952</b>	<b>(7,317)</b>
Service cost			
- Current service cost *	0	1,822	(1,822)
- Past Service Cost (including curtailments)	0	0	(0)
<b>Total Service Cost</b>		<b>1,822</b>	<b>(1,822)</b>
Net interest			
- Interest income on plan assets	831	0	831
- Interest cost on defined benefit obligation	0	988	(988)
<b>Total Net Interest</b>	<b>831</b>	<b>988</b>	<b>(157)</b>
<b>Total defined benefit cost recognised in Profit or (Loss)</b>	<b>831</b>	<b>2,810</b>	<b>(1,979)</b>
Cashflows			
- Plan participants' contributions	218	218	0
- Employer contributions	680	0	680
- Benefits paid	(996)	(996)	0
- Unfunded benefits paid	(28)	(28)	0

- Contributions in respect of unfunded benefits	28	0	28
<b>Expected closing position</b>	<b>42,368</b>	<b>50,956</b>	<b>(8,588)</b>
Remeasurements			
- Change in demographic assumptions	0	(1,010)	1,010
- Change in financial assumptions	0	(3,289)	3,289
- Other experience	463	13	450
- Return on assets excluding amounts included in net interest	2,955	0	2,955
<b>Total remeasurements recognised in Other Comprehensive Income (OCI)</b>	<b>3,418</b>	<b>(4,286)</b>	<b>7,704</b>
Fair value of employer assets	45,786	0	45,786
Present value of funded liabilities	0	46,306	(46,306)
Present value of unfunded liabilities	0	364	(364)
<b>Closing position as at 31 March 2022</b>	<b>45,786</b>	<b>46,670</b>	<b>(884)</b>

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

**CHANGE IN THE FAIR VALUE OF PLAN ASSETS, DEFINED BENEFIT OBLIGATIONS AND NET LIABILITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021.**

<b>Period ended 31 March 2021</b>	<b>Assets</b>	<b>Obligations</b>	<b>Net (liability) / asset</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
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)
<b>Opening position as at 31 March 2020</b>	<b>32,215</b>	<b>36,804</b>	<b>(4,589)</b>
Service cost			
- Current service cost *	0	1,135	(1,135)
- Past Service Cost (including curtailments)	0	43	(43)
<b>Total Service Cost</b>	<b>0</b>	<b>1,178</b>	<b>(1,178)</b>
Net interest			
- Interest income on plan assets	741	0	741
- Interest cost on defined benefit obligation		852	(852)
<b>Total Net Interest</b>	<b>741</b>	<b>852</b>	<b>(111)</b>
<b>Total defined benefit cost recognised in Profit or (Loss)</b>	<b>741</b>	<b>2,030</b>	<b>(1,289)</b>
Cashflows			
- Plan participants' contributions	209	209	0
- Employer contributions	646	0	646
- Contributions in respect of unfunded benefits	(843)	(843)	0
- Benefits paid	(28)	(28)	0
- Unfunded benefits paid	28	0	28
<b>Expected closing position</b>	<b>32,968</b>	<b>38,172</b>	<b>(5,204)</b>
Remeasurements			
- Change in demographic assumptions	0	10,557	(10,557)
- Change in financial assumptions	0	547	547
- Other experience	0	(324)	324
- Return on assets excluding amounts included in net interest	8,667	0	8,667
<b>Total remeasurements recognised in Other</b>	<b>8,667</b>	<b>10,780</b>	<b>(2,113)</b>

<b>Comprehensive Income (OCI)</b>			
Fair value of employer assets	41,635	0	41,635
Present value of funded liabilities	0	48,550	(48,550)
Present value of unfunded liabilities	0	402	(402)
<b>Closing position as at 31 March 2021</b>	<b>41,635</b>	<b>48,952</b>	<b>7,317</b>

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

This liability comprises of approximately £364k in respect of LGPS unfunded pensions and £0 in respect of Teachers' unfunded pensions. For unfunded liabilities as at 31<sup>st</sup> March 2022, 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.

#### INFORMATION ABOUT THE DEFINED BENEFIT OBLIGATION

	Liability split		Weighted Average Duration at Previous Valuation
	£'000	Percentage (%)	
Active members	3,366	76	52
Deferred members	295	7	52
Pensioner members	773	17	68
<b>Total</b>	<b>4,434</b>	<b>100</b>	

(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 31<sup>st</sup> March 2022).

**SCHEME HISTORY**

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000	£,000
Present value of liabilities in the Local Government Pension Scheme	(37,044)	(38,018)	(43,173)	(36,804)	(48,952)	(46,670)
Fair Value of Assets in the Local Government Pension Scheme	31,283	32,666	35,421	32,215	41,635	45,786
<b>Surplus / (deficit) in the scheme :</b>	<b>(5,761)</b>	<b>(5,352)</b>	<b>(7,752)</b>	<b>(4,589)</b>	<b>(7,317)</b>	<b>(884)</b>

The liabilities show the underlying commitments that the Authority has in the long run to pay post-employment (retirement) benefits. The total liability of £46,670k has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet i.e. reducing it by £884k. 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 31<sup>st</sup> March 2022 is £708k. The Actuary estimates employers contributions for the period to 31<sup>st</sup> March 2023 at £666k.

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 2021		31 March 2022
(%)		(%)
70	Equity investments	68
21	Debt investments (bonds)	22
8	Property	9
1	Cash	1
<b>100</b>		<b>100</b>

**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 31<sup>st</sup> December 2022. The split is shown in the following table. The actuary estimates the bid value of the Fund's assets as at 31<sup>st</sup> March 2022 to be £45,786k 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 2022				31 Mar 2021			
	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)	
<b>Equity Securities :</b>								
Consumer	0	0	0	0	0	0	0	0
Manufacturing	0	0	0	0	0	0	0	0
Energy & Utilities	0	0	0	0	0	0	0	0
Financial Institutions	0	0	0	0	0	0	0	0
Health & Care	0	0	0	0	0	0	0	0
Information Technology	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Debt Securities :</b>								
Other	0	0	0	0	0	0	0	0
<b>Private Equity :</b>								
All	0	2,617.9	2,617.9	6	0	2,588.8	2,588.8	6
<b>Real Estate :</b>								
UK Property	0	4,165.2	4,165.2	9	0	3,302.2	3,302.2	8
Overseas Property	0	0	0	0	0			0
<b>Investment Funds &amp; Unit Trusts :</b>								
Equities	0	28,549.6	28,549.6	62	0	26,675.7	26,675.7	64
Bonds	0	0	0	0	0	0	0	0
Infrastructure	0	1,112.0	1,112.0	2	0	733.9	733.9	2
Other	0	9,101.3	9,101.3	20	0	8,094.1	8,094.1	19
<b>Cash &amp; Cash Equivalents</b>								
All	240.0	0	240.0	1	240.3	0	240.3	0
<b>Totals</b>	<b>240</b>	<b>45,546</b>	<b>45,786</b>	<b>100</b>	<b>240.3</b>	<b>41,395</b>	<b>41,635</b>	<b>100</b>

### 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 31<sup>st</sup> March 2019.



The principal assumptions used by the actuary have been :

	Local Government Pension Scheme	
	2021/22	2020/21
Long term expected rate of return on assets in the scheme :	2.7%	2%
Mortality Assumptions :		
Longevity at 65 for current pensioners :		
Men	21.2 years	21.5 years
Women	24.1 years	23.9 years
Longevity at 65 for future pensioners :		
Men	22.3 years	22.7 years
Women	25.8 years	25.9 years
- Rate of inflation (CPI)	3.2%	2.9%
- Rate of increase in salaries	3.5%	3.2%
- Rate of increase in pensions	3.2%	2.9%
- Rate for discounting scheme liabilities	2.7%	2.0%
Take up of option to convert annual pension into retirement lump sum	65% pre 1/4/2014 service and 65% post 1/4/2014 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 31<sup>st</sup> March 2022 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 31<sup>st</sup> March 2022, 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.

<b>Impact on the Defined Benefit Obligation in the Scheme</b>		
<b>Change in assumption</b>	<b>Approximate increase to Employer 31 March 2022</b>	<b>Approximate monetary amount 31 March 2022</b>
	<b>(%)</b>	<b>(£'000)</b>
0.1% decrease in real discount rate	2	923
1 year increase in member life expectancy	4	1,867
0.1% increase in salary increase rate	0	149
0.1% increase in the pension increase rate	2	767

### **Projected Defined Benefit Cost for the period to 31<sup>st</sup> March 2023**

	<b>Assets</b>	<b>Obligations</b>	<b>Net (liability) / asset</b>	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>% of pay</b>
Projected Current Service Cost*	0	1,544	(1,544)	(45.9)%
Past Service Cost including curtailments	0	0	0	0
Effect of settlements	0	0	0	0
<b>Total Service Cost</b>	<b>0</b>	<b>1,544</b>	<b>(1,544)</b>	<b>(45.9)%</b>
Interest income on plan assets	1,235	0	1,235	36.7%
Interest cost on defined benefit obligation	0	1,270	(1,270)	(37.7)%
<b>Total Net Interest Cost</b>	<b>1,235</b>	<b>1,270</b>	<b>(35)</b>	<b>(1.0)%</b>
<b>Total Included in Profit and Loss</b>	<b>1,235</b>	<b>2,814</b>	<b>(1,579)</b>	<b>(46.9)%</b>

\* 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 £3,366k.

The contributions paid by the Employer are set by the Fund Actuary at each triennial actuarial valuation (the most recent being as at 31<sup>st</sup> March 2022), or at any other time as instructed to do so by the Administering Authority.

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

### **Opinion on financial statements**

I have audited the financial statements of Eryri National Park Authority for the year ended 31 March 2022 under the Public Audit (Wales) Act 2004.

Eryri 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 and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

In my opinion the financial statements:

- give a true and fair view of the financial position of Eryri National Park Authority as at 31 March 2022 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

### **Basis of opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. 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 Eryri National Park 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.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Eryri National Park Authority's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial

Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **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 2021-22;
- The information given in the Annual Governance Statements 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 Eryri National Park 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:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- 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.

## **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 11, 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 name of local government body'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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Eryri National Park's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: posting of unusual journals and reviewing accounting estimate for biases.
- Obtaining an understanding of Eryri National Park Authority's framework of authority as well as other legal and regulatory frameworks that the Authority operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Eryri National Park Authority.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Performance and Resources Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias;

and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

•

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Authority's controls, and the nature, timing and extent of the audit procedures performed.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Certificate of completion of audit**

I certify that I have completed the audit of the accounts of Eryri 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.

Adrian Crompton



Auditor General for Wales  
13 June 2024

1 Capital Quarter  
Cardiff  
CF10 4BZ

### ***Maintenance and integrity of the Authority's website :***

*The maintenance and integrity of the Authority's website is the responsibility of Snowdonia National Park Authority; the work carried out by the auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.*

## **SNOWDONIA NATIONAL PARK AUTHORITY ANNUAL GOVERNANCE STATEMENT 2021-22**



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

## 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 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.

The Code of Corporate Governance has been reviewed and updated this year by a Task and Finish Group set up specifically to review the Authority's governance arrangements to ensure that they remain fit for purpose. The new Code of Corporate Governance was formally adopted by the Authority in April 2022.



## 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.

## 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:

- Cynllun Eryri (Snowdonia National Park Management Plan);
- Eryri Local Development Plan;
- Well-being Statement and Well-being Objectives; 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 2021/22 had 7 scheduled meetings.
- The Performance and Resources Committee was held 3 times during 2021/22. 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 2021/22. This committee is responsible for carrying out the Authority's statutory planning functions.
- The Authority's Standards Committee was held once during 2021/22. 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 Administration and Customer Care, 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 Cyngor Gwynedd. 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

Audit Wales act as the Authority's external auditor, and accordingly report on the Authority's financial management and performance. In addition, Audit Wales 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 (who is Cyngor Gwynedd's Chief

Finance Officer) is the officer responsible for the administration of financial affairs as required under Section 151 of the Local Government Act 1972.

## 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.

A Well-being Statement for the Authority was developed over the course of 18 months and sets out new Well-being Objectives which describes how they will help the Authority achieve the seven wellbeing goals for Wales. The Well-being Statement and Well-being Objectives were adopted as strategic documents by the Authority during the Performance and Resources Committee on the 23<sup>rd</sup> of March, 2021.

The Well-being Objectives concentrate on three key areas of work - Resilient Environments, Resilient Communities and Resilient Ways of Working - and have been aligned with five sub themes to provide focus, as set out below.

### Resilient Environments

1. Improving recreation management and any negative effects of recreation.
2. Responding to the challenges of Climate Change.
3. Improving the management and understanding of Cultural Heritage.
4. Addressing the challenges and opportunities of post Brexit land management scenarios.
5. Addressing the decline in nature.

### Resilient Communities

1. Maintaining and increasing the quality of life of residents.
2. Supporting young people.
3. Promoting sustainable tourism to add value to local communities.
4. Promoting and actively supporting the Welsh language.
5. Developing a local economy which supports both the designation and the management of Snowdonia as a National Park.

### Resilient Ways of Working

1. Developing a skilled workforce.
2. Developing and promoting best practice.
3. Effective partnership working.
4. Modernising governance arrangements.
5. Maintaining and improve the understanding and support of local communities to the work of the National Park.

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 Work Programme for 2021/22 was presented for approval by the Members at the Authority meeting on the 28<sup>th</sup> of April 2021. The Programme sets out the projects, initiatives and specific actions that will fulfil the Authority's Well-being Objectives and Service Priorities.

Progress against the Programme has been reported to the Performance and Resources Committee on the 24<sup>th</sup> of November 2021 and on the 23<sup>rd</sup> of March 2022. The full annual report on the Corporate Work Programme is due to be reported to the Performance and Resources Committee in July 2022.

A significant review of the Authority's governance procedures and practices has taken place during 2021/22, as this area was chosen as one of the scrutiny topics by the Authority.

The remit of the Reviewing Governance Task and Finish Group (as set out in the Terms of Reference) included a focus on some of the proposals for improvement as set out in the Audit Wales report on Resilient and Sustainable Services which related to governance.

In addition, Welsh Government had requested that the Authority review certain governance matters following a letter to the Minister expressing concerns. The issues raised provided an opportunity for the Authority to review and improve its governance systems and as a result build on the culture of open dialogue and constructive challenge to senior leaders as they make difficult decisions around service provision and the use of resources.

One of the key outcomes from the Reviewing Governance Task and Finish Group was a revision and update of the Authority's Code of Corporate Governance. The new Code has been formally adopted by the Authority in its meeting on the 27<sup>th</sup> of April 2022.

Other key outcomes are set out in this Statement under the appropriate headings.

## 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

<p><b>Code of Corporate Governance</b></p>	<p>Governance was identified as one of the topic areas to scrutinise in depth during 2021/22, and as a result a Reviewing Governance Task and Finish Group was established. The group met 4 times between November 21 and February 22.</p> <p>The Code of Corporate Governance was reviewed in depth and redrafted by the Group, to ensure that it remains a cornerstone of effective governance for the future.</p> <p>The draft revised Code of Governance was discussed in detail at the Members Working Group on the 6<sup>th</sup> of April 2022, before being submitted for final approval and adoption by the Authority at the end of April 2022.</p>
<p><b>Standards Committee</b></p>	<p>The Standards Committee had a full day on the 3<sup>rd</sup> of September 2021.</p> <p>During the morning, the Standards Committee held an Appeal Hearing in accordance with the Authority's Grievance Procedure. The appeal was ultimately dismissed.</p> <p>The afternoon session considered the usual business of the Standards Committee. During this meeting, it considered a</p>

	<p>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 2020/21, and were advised of the developments applicable to this Authority. The Annual Complaints Monitoring Report was also submitted to the Standards Committee, for information.</p>
<b>Whistle Blowing Policy</b>	<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 2021/22, no reports or concerns were raised in relation to any Member or Officer of the Authority under the Whistle Blowing Policy.</p>
<b>Anti-Fraud and Corruption Strategy</b>	<p>During 2021/22, 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>
<b>Model Code of Conduct</b>	<p>During 2021/22, no amendments or revisions were made to the Model Code of Conduct.</p>
<b>Complaints – Officers</b>	<p>During 2021/22, the Authority received a total of 15 formal complaints.</p> <p>The Authority was not subject to a formal investigation of alleged maladministration by the Public Service Ombudsman for Wales during 2021/22.</p> <p>However, a complaint was made to the Welsh Language Commissioner that the Authority was in breach of its Welsh Language Standards, by failing to provide a fully bilingual on-line pre-booking service for the Pen y Pass car park. The service was provided by an external provider Just Park.</p> <p>The Commissioner instigated an investigation and concluded that the Authority had failed to comply with 3 specific standards, namely standards 50, 52 and 56. The Authority developed an Action Plan which was agreed by the Commissioner to ensure full compliance with these standards by Easter 2022.</p>

<b>Complaints - Members</b>	During 2021/22, 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.
<b>Complaints – Other</b>	<p>During the year a complaint was submitted directly to Welsh Government concerning various governance and administration issues within the Authority.</p> <p>The Authority responded to the allegations and supplied relevant information. Recommended actions were given to the Authority to strengthen governance in specific areas, which the Authority has accepted:</p> <ul style="list-style-type: none"> <li>• Changes to the Standing Orders relating to Contracts (specific changes detailed under Standing Orders relating to Contracts heading).</li> <li>• Bidding for Welsh Government Funding – review decision making process to meet submission deadlines in some circumstances. This was discussed and agreed by Members at the Performance and Resources Committee on the 23<sup>rd</sup> of March 2022.</li> <li>• Level of reserves to be standing item at all meetings between SNPA and Welsh Government.</li> <li>• Diversity - progress against the Authority's Strategic Equality Plan will be reviewed at monitoring meetings between SNPA and Welsh Government.</li> </ul>
<b>Standing Orders</b>	<p>The Standing Orders were last reviewed and amended by the Authority on the 26<sup>th</sup> of April 2017, following receipt of the Local Authorities (Standing Orders) (Wales) (Amendment) Regulations 2017.</p> <p>No matters were raised relating to the implementation of the Standing Orders during 2021/22.</p>
<b>Standing Orders relating to Contracts</b>	<p>The Authority has accepted Welsh Government's recommendations to ensure that the Authority's processes relating to contracts are sufficiently transparent, namely:</p> <ol style="list-style-type: none"> <li>1. The threshold for publication of details of contracts awarded to be set at £1,000.</li> </ol>



	<p>2. To review the processes for reviewing and recording details of contracts where Members, staff, families and friends have directly benefit from the awarding of contracts. This will now be extended to all staff, in addition to the current requirement on the heads of service and the management team.</p> <p>3. When awarding contracts, the general principles set out in the Public Contracts Regulations 2015 should be implemented, even where the value of a contract would not trigger the 2015 Regulations requirements.</p> <p>A new draft version of the Standing Orders relating to Contracts has been produced which incorporates the above recommendations and ensures compliance with all new regulations relating to the withdrawal from the European Union. Further work is required on the draft before it can be presented to the Members for adoption in 2022/23.</p>
<p><b>Scheme of Delegation</b></p>	<p>The Scheme of Delegation was last revised and amended by the Authority in its meeting on the 13<sup>th</sup> of December 2017.</p> <p>As part of the remit of the Reviewing Governance Task and Finish Group, consideration was given to how the Authority had approached decision making during various stages of the Covid-19 pandemic, and whether there were any learning points to be incorporated for the future.</p> <p>Whilst it was acknowledged that there is a need to differentiate how the Authority needs to operate in times of national crisis and in ordinary times; it was interesting to note that the dynamic working practices implemented during the first stage of the pandemic were enabled under the current Officer Scheme of Delegation.</p> <p>The Group concluded that the current Officer Scheme of Delegation continued to be fit for purpose, and therefore no recommendation for changes were given.</p>
<p><b>Members' Register of Interests</b></p>	<p>The Local Government (Democracy) (Wales) Act 2013 places a requirement on the Authority to publish the current Members' Register of Interests on the Authority's website.</p> <p>It is the responsibility of each Authority Member to keep their record of personal interests up to date and to report on any changes in a timely manner. Nonetheless, the Member Services Officer sends each Member a copy of their current</p>

	<p>record after each AGM of the Authority, and requests that they be reviewed and updated if required.</p> <p>During 2021/22, confirmation was given to Welsh Government that the Register is up to date and publicly available and that arrangements are in place to ensure compliance is maintained.</p>
--	--

## Principle 2: Ensuring openness and comprehensive stakeholder engagement

<b>Strategic Equality Plan</b>	<p>The Annual Report on the Strategic Equality Plan was presented to the Performance and Resources Committee on the 24<sup>th</sup> of November 2021.</p> <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 Socio-economic Duty came into force in Wales on the 31<sup>st</sup> of March 2021. Consideration must now be given to how the Authority's strategic decisions can improve inequality of outcome for people who suffer socio-economic disadvantage. A new impact assessment template has been developed in partnership with other north Wales public sector bodies to ensure we can fully embrace our new responsibilities.</p>
<b>Direct Consultation</b>	<p>As various Covid-19 restrictions remained in place throughout the year, the Authority continued to use various online solutions to enable direct communication, consultation and engagement, as its primary means of contact.</p> <p>During 2021/22 the Authority continued to engage with local communities and stakeholders through a range of means, from traditional written consultations and online questionnaires to webinars and online meetings and workshops. When restrictions allowed, in-person consultation events took place in Covid secure spaces.</p> <p>Whilst Fforwm Eryri, the Annual Agriculture Liaison Group, North and South Access Forums to name but a few, have continue to take place virtually, discussions on how to proceed in future have commenced. What has become clear</p>

	<p>is that many see great advantages to holding on-line meetings and wish to continue, whilst others see disadvantages of not meeting in person and a wish to resume in-person meetings. The coming year will see some in-person meetings resume, some meetings will employ hybrid solutions whilst some remain entirely on-line.</p> <p>Outside of the normal direct consultations on the Authority’s business that has taken place this year, engagement and consultation has also taken place with local communities to enable information to be shared and to give people an opportunity to give their views over numerous challenges the National Park Authority and its communities have faced due to the increased visitor numbers.</p>
<p><b>Communication and Engagement Strategy</b></p>	<p>Communication and engagement 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 engaging effectively through the correct channels at the correct time with a wide range of audiences.</p> <p>The Authority’s new Communication and Engagement Strategy was formally adopted by the Authority on the 9<sup>th</sup> of June 2021.</p> <p>The annual report on the strategy was presented to the Performance and Resources Committee on the 23<sup>rd</sup> of March 2022. The report included data for the performance indicators set out in the strategy.</p> <p>The Content and Brand Manager has been working with the appointed contracted Creo in developing the design phase of the new website for the Authority during the year.</p> <p>The new website was launched in April 2022.</p>

<p><b>Freedom of Information</b></p>	<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 2021, 33 requests were received of which 30 received all the information requested (91%). Of the other 3 requests, 2 were refused or partially refused as the information requested did not exist or the authority did not hold the information, and 1 request was partially refused as it contained third party personal data, which was redacted from the released information.</p> <p>No complaints were submitted to the Information Commissioner with regard to any information request.</p>
<p><b>Committee Agendas and Associated Reports</b></p>	<p>The Authority’s Committee agendas and associated reports are published on the website at least 3 clear working days before each meeting.</p> <p>An archive of past Committee meetings agendas and associated papers is also available on the website.</p>

**Principle 3:** Defining outcomes in terms of sustainable economic, social and environmental benefits

<p><b>Cynllun Yr Wyddfa Partnership Plan</b></p>	<p>Although no formal update report on the Snowdon Plan was presented to Members during 2021/22, three newsletters providing an update on the work of the Partnership were issued and a discussion on the parking and transport element took place on the 22<sup>nd</sup> of January 2021 and the 20<sup>th</sup> of October 20 2021 at the Member Working Groups.</p> <p>Since launching the scheme in 2018 many of the initial projects have been completed and the Partnership intends to review the Plan during 2023 with the launch of</p>
--	---

	<p>a revised version - five years since the original Plan was created.</p> <p>One of the Plan's priorities is to implement the Snowdonia and Ogwen Parking and Transport Strategy. Many of the initial elements have been implemented with support from Transport for Wales. There is a delay in relation to Pen Y Pass and the recently approved planning application to install a barrier which would improve the efficiency of the pre-order system, as concerns have been raised by the landowner.</p> <p>A bespoke area plan for Nant Gwynant was written during the year, in conjunction with the relevant partners in the area.</p> <p>The Snowdonia Ambassador program has gone from strength to strength with over 700 qualified and approximately 200 re-qualified during the year.</p> <p>Funding has been secured to appoint an officer to lead on the rubbish-free Snowdon operation with a view to advertising the post this year.</p> <p>The Snowdon Paths app is due to be launched in its new form as the app has recently been updated to reflect the accessibility act for public bodies.</p>
<p><b>Cynllun Eryri</b> (Snowdonia National Park Partnership Plan)</p>	<p>Cynllun Eryri – the new National Park Partnership Plan for 2020 – 25, was formally adopted by the Authority at its Annual General Meeting on the 23<sup>rd</sup> of September 2020.</p> <p>Fforwm Eryri's Terms of Reference have been amended to accommodate remote partnership meetings, and is now specified as the preferred mode of operation for at least 3 out of the 4 annual meetings.</p> <p>In the summer of 2021, work commenced on producing the first Annual Monitoring Report for Cynllun Eryri, with the information and data collected covering the period from September 2020 to December 2021.</p>

	<p>Each Outcome will be assessed in relation to the Measurements of Success as agreed by all Partners in the original Action Plan of Cynllun Eryri and reported on in the report.</p> <p>At the end of March 2022, the report was in the process of being finalised and approved by Fforwm Eryri, after which it will be presented to the Authority.</p>
<b>Eryri Local Development Plan 2016-2031</b>	<p>The revised Eryri Local Development Plan 2016-2031 (LDP) was adopted on the 6th of February 2019.</p> <p>The second Annual Monitoring Report (AMR) was presented to the Planning and Access Committee on the 20<sup>th</sup> of October 2021, and it covered the period April 2020 to the end of March 2021. The AMR is submitted to the Welsh Government by the 31st of October each year.</p> <p>The Monitoring Report noted that early indications point towards necessary future changes to the Eryri LDP due to the consequences of Brexit and the Covid-19 pandemic, changes in national policy such as the publication of the Future Wales National Plan 2040 as well as the performance of certain aspects of the Plan.</p>
<b>Corporate Work Programme 2021-22</b>	<p>As the Authority now has an adopted Well-being Statement which includes its Well-being Objectives for a five-year period from 2021-26; there will therefore be no need for an annual review.</p> <p>The agreed actions in the Corporate Work Programme will now be sufficient to enable the Authority to assess its progress in attaining the Well-being Objectives and there will accordingly be no need for a separate report on Performance Indicators. The Corporate Work Programme for 2021/22 was adopted by the Authority on the 28<sup>th</sup> of April 2021.</p> <p>Members were provided with regular updates on the progress made in meeting the Well-being Objectives, outlined in the Corporate Work Program 2021/22.</p> <p>Progress on the first two quarters of the financial year was reported to the Performance and Resources Committee on the 24<sup>th</sup> of November 2021 and a third quarter progress report was provided on the 23<sup>rd</sup> of March 2022.</p> <p>Members welcomed the new layout, noting it was more concise and easier to understand.</p>

--	--

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

<p><b>Budget Strategy 2021/22</b></p>	<p>The Authority's revenue budget for 2021/22 was confirmed in the Chief Finance Officer's report to the Authority on the 3<sup>rd</sup> of February 2021. The report also confirmed the levy on constituent authorities.</p> <p>An update on the Budget was presented to the Authority on the 8<sup>th</sup> of December 2021 and to the Performance and Resources Committee on the 23<sup>rd</sup> of March 2022.</p> <p>The March report outlined the financial assistance received to mitigate some of the effects due to Covid-19, which have included a Welsh Government support grant, rate relief and rebates from staff salaries through the furlough scheme.</p> <p>Following an increase in the National Park grant of 10% for 2021/22, it was reported that the Authority still has a surplus of £476,251, which has now been earmarked for specific purposes, including improving the Authority's resilience, increasing the Authority's capacity, de-carbonisation agenda and capital commitments.</p>
<p><b>Mid Term Financial Plan 2022/23 – 2025/26</b></p>	<p>In its meeting on the 9<sup>th</sup> of February 2022, the Chief Executive presented the revised Medium Term Financial Plan for 2022/23 – 2025/26 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 confirmed that the income targets for 2022/23 have been maintained on the same level as 2021/22. It was also reported that the core National Park Grant settlement will likely remain at the same level over the next 3 years, and although there is no provision for inflation, this at least gives some certainty with regards the Authority's financial situation.</p> <p>Any additional money received through specific grants (other than core grants) brings with it additional</p>



	administrative work, therefore consideration needs to be given to the additional work pressure on some of the Authority's services.
<b>Performance Management</b>	<p>As part of the Reviewing Governance Task and Finish Group, the mechanism for reviewing performance in relation to the Authority's Well-being Statement and the Corporate Work Programme has now been set out formally.</p> <p>It confirms that the Performance and Resources Committee will scrutinise performance on the actions contained in the Corporate Work Programme which gives an insight into progress on a quarterly basis.</p> <p>Also, an annual report to be prepared and considered by the Authority following the year's end to assess overall performance on attaining the Authority's Well-being Objectives.</p>

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

<b>Members' Role Descriptions</b>	<p>As part of the remit of the Reviewing Governance Task and Finish Group, the current role descriptions for Authority Members were reviewed.</p> <p>Changes were made to strengthen the emphasis of the role of members in setting a strategic direction and ambition for the Authority, providing an overarching introduction including the purpose of National Parks and the role of the Authority in delivering on these purposes, and strengthening the section on personal and role development.</p> <p>The new role descriptions for Members and for the Chair and Vice Chair were adopted by the Authority on the 27<sup>th</sup> of April 2022.</p>
<b>Members' Attendance</b>	<p>All meetings continued to be held on-line during the year, as new waves of Covid-19 emerged and restrictions were tightened at various points.</p> <p>The online platform Zoom for holding committee and other meetings is now well embedded across the Authority and is working well.</p>



	<p>Members' attendance at meetings during 2021/22 was 85%, compared to 90% in 2020/21 and 81% in 2019/20.</p> <p>Work is underway by the Authority's IT service to identify an appropriate platform for conducting hybrid meetings in the next year and to recommend an appropriate venue that could accommodate this.</p> <p>If the Authority proceeds down this route, there will likely be additional training needs for Chairs and Vice Chairs of committees and meetings, to ensure that meetings are managed effectively to enable everyone to participate fully.</p>
<b>Member Training</b>	<p>As noted above, Covid-19 restrictions were in place for most of 2021/22, and therefore very few face to face training opportunities were available for Members.</p> <p>However, on the 25<sup>th</sup> of March 2022, the first in-person Member Development Day was held for 2 years.</p> <p>In 2021/22, member attendance at training events was 75% (69% in 2020/21).</p> <p>As part of the work of the Reviewing Governance Task and Finish Group, a recommendation has been put forward to develop a Member Development Strategy. Initial work will be focused on the expected change to Members following local government elections on the 5<sup>th</sup> of May 2022. It is proposed that:</p> <ul style="list-style-type: none"> <li>• a collective skills assessment is conducted, which will be mandatory for all new Members to complete;</li> <li>• the internal induction sessions are reviewed and improved;</li> <li>• everyone appointed Chair or Vice-Chair to be offered training on chairing meetings; and</li> <li>• consideration be given to having a mentor for each new Member appointed in May 2022.</li> </ul>
<b>Staff Performance Appraisals and Training</b>	<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>Concern has been raised over the last couple of years at the Performance and Resources Committee meetings that the percentage of staff appraised continued to be low, and in 2020/21 had dropped to an unprecedented 32%. Due to the lack of personnel resources, data is not currently available for the percentage appraised in 2021/22.</p> <p>However, in a staff survey undertaken in 2021/22, 87% of staff agreed that they have opportunities to develop their skills (81.5% in 2020/21).</p>
<p><b>Human Resources Strategy</b></p>	<p>Staff sickness absences was 11.5 days in 2019/20, but this had dropped significantly to 3 days in 2020/21. It is thought that a combination of most staff working from home and restricted social contacts due to lockdowns, has significantly reduced contagious illnesses, which has led to reduced staff sickness absence as a result.</p> <p>However, further personnel data is not currently available, as the Annual Updating Report on implementing the Authority's HR Strategy has not been presented to the Performance and Resources Committee during 2021/22. This is due to the Head of Personnel retiring on the 30<sup>th</sup> of June 2021, and the subsequent failure to appoint to the post.</p> <p>It is clear that the Human Resources Strategy needs to be revised and updated as a matter of priority. Recruitment and retention are increasing risks for the Authority as is succession planning.</p> <p>A new Head of Personnel has been appointed and is due to commence in post on the 13<sup>th</sup> of June 2022. It is hoped that the Head of Personnel will in due course be able to revise the strategy and produce an action plan to address these issues.</p>
<p><b>Authority Resilience: Staff Terms and Conditions</b></p>	<p>The Audit Wales report on the Resilience of the Authority identified the Authority's capacity to meet current and emerging challenges and matters relating to the retention and recruitment of staff as issues to be addressed.</p>

	<p>Members discussed these issues in detail and commissioned a report, which concluded that the Authority's pay structure was not competitive, compared to other public sector employers.</p> <p>Members also recommended that acknowledging bilingualism should be included within the review of the Authority's pay structure. Members considered that the ability to be bilingual was essential in enabling the Authority to provide its services, there is a business case to recognise such in its pay structure.</p> <p>After consultation with staff and Unions, approval was given by the Authority on the 9<sup>th</sup> of April 2022 for:</p> <ul style="list-style-type: none"> <li>• Adjustment in the Authority's pay bands by two pay points (upwards) on the pay spine.</li> <li>• An additional day's leave on Saint David's Day from 2022 onwards.</li> <li>• The retention of the last pay point in any pay band subject to attaining an agreed standard in English and Welsh.</li> </ul>
--	--

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

<p><b>Financial Statements</b></p>	<p>The draft Statement of Accounts was not completed within the extended timeline of 31<sup>st</sup> of August 2021. They were certified (subject to audit) by the Authority's Chief Finance Officer and presented to the Authority on the 13<sup>th</sup> of October 2021.</p> <p>Prior to this, Members had approved the Outturn Report for 2020/21 at an Authority special meeting on the 30<sup>th</sup> of June 2021.</p> <p>The Statement of Accounts was audited by Audit Wales, and the final version (post-audit) of the Statement of Accounts for 2020/21 along with the Final Letter of Representation was presented to Members at a special Authority meeting on the 24<sup>th</sup> of November 2021 for approval in accordance with The Accounts and Audit (Wales) (Amendment) Regulations 2018.</p> <p>At the same meeting, the Audit Wales presented its annual ISA260 report to the Authority. The Auditor</p>
------------------------------------	---

	confirmed that he would be presenting an unqualified opinion on the Authority's financial statements and related notes.
<b>Risk Management</b>	<p>The Risk Register is reviewed and updated quarterly by the Heads of Service and Management Team.</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 each Performance and Resources Committee and any removal of risks from the Register is ratified annually at an Authority meeting.</p>
<b>External Audit</b>	<p>At the Authority meeting on the 28<sup>th</sup> of April 2021, Audit Wales presented its report setting out its findings following its Review of Resilient and Sustainable Services. Full details of the findings are set out under Section 6 (Significant Governance Issues) in this Statement.</p> <p>At the same meeting, Audit Wales presented their Audit Plan for 2021/22. The Audit Plan had incorporated the possible effects of Covid-19 on the work of the Authority as well as on Audit Wales' ability to carry out its work.</p> <p>The Audit Plan set out revised arrangements for the Audit of Financial Statements, which would be dependent on when the Authority could complete the accounts. It also set out the intention of carrying out a performance audit which would reflect the risks and opportunities highlighted in the 2019/20 review of involvement and the 2020/21 review of corporate resilience.</p> <p>Further to this, at the Authority meeting on the 8<sup>th</sup> of December 2021, Audit Wales issued a Certificate to confirm that following an audit of the Authority's Assessment of its performance for 2020/21, the Authority had discharged its duty under section 15 (2) (8) and (9) of the Local Government (Wales) Measure 2009.</p> <p>At the Authority meeting on the 9<sup>th</sup> of February 2022, Audit Wales presented an Annual Audit Summary of the work undertaken during 2021. The report noted that the Auditor General gave an unqualified true and fair opinion on the Authority's financial statements on the 29<sup>th</sup> of November 2021, in advance of the statutory deadline.</p>

	<p>It was also reported that the Authority's Annual Governance Statement and Narrative Report were prepared in line with the CIPFA Code and relevant guidance.</p> <p>The Auditor General noted that progress had been made in improving the quality of the draft statements presented for audit on the 27<sup>th</sup> of July 2021. There remains scope for further improvement some discrepancies between the financial statements and supporting working papers had been identified.</p> <p>At the Authority meeting on the 28<sup>th</sup> of April 2022, Audit Wales presented their Audit Plan for 2022. The report sets out the audit risks and proposed audit response to be undertake during the year. The report also notes that the performance audit is yet to confirmed. The audit fees was also confirmed.</p>
<p><b>Internal Audit</b></p>	<p>The Internal Audit Manager reports on the previous financial year's work to the Performance and Resources Committee in July.</p> <p>There were four internal audits scheduled to be undertaken during 2021/22, namely Well-being of Future Generations, Tendering Arrangements, Absence Management, and Business Continuity Plans.</p> <p>Both audits on the Tendering Arrangements and Business Continuity Plans were given a "Restricted" rating - although rules are in place, there is a need to improve compliance with the rules and / or introduce new controls to reduce the risks to which the service is exposed.</p> <p>As a result of the ratings given, specific action points and a timetable for completion were agreed by relevant officers to address the weaknesses identified.</p> <p>The audit on Wellbeing of Future Generations was 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> <p>Managing Sickness Absence and Staff Well-being was given a "High" rating - assurance of propriety can be expressed as the internal controls in place can be relied upon to achieve objectives.</p>

<b>Health and Safety</b>	<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> <p>It was reported that it is usual to compare year on year data on incidents that were recorded, which also includes reportable incidents to the Health and Safety Executive under the 'Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR)'. However, data from the 2020/21 is not representative due to several factors including home working and the suspension of business at Plas Tan y Bwlch.</p> <p>Concern was raised at the lack of comparable data, and it was agreed that the Head of Personnel would circulate further data as requested.</p>
<b>Information Centres</b>	<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 Information Centres Annual Report was presented to the Performance and Resources Committee on the 24<sup>th</sup> of November 2021. The report provided an overview of the 2021/22 year to date, and the actions to be taken in 2022/23.</p> <p>It was reported that the limit on numbers due to Covid restrictions and a reduction in opening hours were factors that have negatively affected visitor numbers. In addition, staff recruitment and retention levels are causing problems.</p> <p>The report outlined detailed visitor numbers and spend per head data at each of the Centres.</p>
<b>Borrowing and Investment Strategies /</b>	<p>The Annual Report providing the actual Treasury Management (borrowing and investment) of the Authority</p>

<p><b>Treasury Management</b></p>	<p>during 2020/21, was presented to the Authority meeting on the 9<sup>th</sup> of June 2021.</p> <p>During 2020/21, the Authority's activity remained within the limits that were originally set. There has been no borrowing.</p> <p>In 2020/21, the total interest received from investments was £11,113. Interest received from car loans of £1,194 increases the total to £12,307 against a budget of £23,000.</p> <p>The bank and building society interest sum of £11,113 for 2020/21 is much lower than the corresponding amount of £48,077 in 2019/20. The main reason being that interest rates have generally fallen due to the effects of the pandemic, and the Authority having stopped depositing in 95 day notice accounts on the basis of professional advice.</p> <p>An oral Interim Treasury Management report was given to the Authority on the 8<sup>th</sup> of December 2021. The Chief Finance Officer advised that the Authority's funds and investments continued to be secure and that interest rates continued to be very low.</p> <p>The Chief Finance Officer presented the Capital Strategy for 2022/23 at the Authority meeting on the 9<sup>th</sup> of February 2022.</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 2022/2 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 2022/23, and noted the content with regard to the Prudential Code.</p>
<p><b>Plas Tan y Bwlch Study Centre</b></p>	<p>At the Special Authority meeting held on the 23<sup>rd</sup> of October 2020, Members resolved to continue operating Plas Tan y Bwlch as a B&amp;B in the short to medium term; to proceed with staff restructuring; to continue the dialogue with a range of possible future partners; and to</p>



	<p>report on progress to each meeting of the Performance and Resources Committee.</p> <p>The risks of failing to reach the income generating target for Plas Tan y Bwlch was increased to High on the Authority's Risk Register in March 2022. Details are outlined under section 6 of this statement.</p> <p>The Chief Executive has previously advised Members at the Performance and Resources Committee on the 24<sup>th</sup> of November 2021, that the future of Plas Tan y Bwlch will need to be considered at the end of the 2022 season.</p>
<b>Yr Ysgwrn</b>	<p>Yr Ysgwrn's Annual Report was presented to the Authority on the 28<sup>th</sup> of April 2022.</p> <p>The report confirms that Yr Ysgwrn had a £7,000 overspend at the end of the 2021/22 financial year due to reduced income, the cost of commissioning the Yr Ysgwrn Curriculum and property management costs due to various technical problems with the alarm and biomass boiler.</p> <p>The report also sets out the proposed site plans for the forthcoming year and acknowledges that the budget targets are challenging. Visitor numbers and corresponding income trends are not clear due to the disruption caused by the Covid-19 pandemic.</p>

**Principle 7:** Implementing good practices in transparency, reporting, and audit to deliver effective accountability

<b>Pay Policy Statement</b>	<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>The Authority's Pay Policy Report for 2021/22 and Pay Policy Statement for 2022/23 was presented to the Performance and Resources Committee on the 23<sup>rd</sup> of March 2022, ensuring transparency in staff remuneration at the Authority.</p>
-----------------------------	--



	<p>At the time of reporting, the Pay Award for 2021/22 had only recently been agreed, which means back pay from April 2021 had been paid to all staff in March 2022 salaries.</p>
<p><b>Annual Report and Improvement Plan 2020/21</b></p>	<p>The Annual Report and Improvement Plan for 2020/21 was presented to the Authority meeting on the 13<sup>th</sup> of October 2021, 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 2020/21, and performance management (including performance indicator results for the year).</p> <p>The Director of Corporate Services advised Members that following the adoption of the Well-being Statement 2021 – 2026, the process had now changed, and that this was the final time the Annual Report would be submitted in the current format under the Local Government Measure.</p>
<p><b>Broadcasting Committees</b></p>	<p>As part of the remit of the Reviewing Governance Task and Finish Group, consideration was given to how committee meetings should be held in future as well as moving forward with broadcasting committees.</p> <p>Recommendations made by the Task &amp; Finish Group were discussed at the Members Working Group on the 6<sup>th</sup> of April 2022, before being submitted for final approval and adoption by the Authority at the end of April 2022. These were:</p> <p>Future Authority and Planning and Access Committees to be transmitted live on the website. Recordings of the Performance and Resources Committee to be uploaded after the meeting for public access.</p>

	<p>Move forward with arrangements without translating English contributions.</p> <p>Introduce a system of pre-registration for the public.</p> <p>Staff to investigate the best location for hybrid committees and make a recommendation to the Authority in due course.</p>
<p><b>Member Scrutiny</b></p>	<p>During 2021/22, a report was received by the Performance and Resources Committee on the 14<sup>th</sup> of July 2021 regarding the Task &amp; Finish Group's progress on the scrutiny of Snowdonia's Carbon Account (established in 2020/21); and a report was received by the Authority on the 13<sup>th</sup> of October 2021 on the progress of the Task &amp; Finish Group to scrutinise the protection of Welsh Place Names.</p> <p>The Task and Finish Group on Reviewing Governance also reported their recommendations to the Members Working Group on the 6<sup>th</sup> of April 2022. Part of the group's remit was looking at Strategic Scrutiny. A number of recommendations were made, including:</p> <ol style="list-style-type: none"> <li>1. Future Task and Finish Groups to have Terms of Reference agreed at the outset which identifies a final reporting date, to ensure the groups remain focused.</li> <li>2. Appointing Members on Task and Finish Groups should be reviewed. People with expertise or interest in the subjects should be appointed.</li> <li>3. Delay setting the 2022/23 scrutiny topics until the Final Remit Letter is received from the Minister, and subject to this, support the following areas for future Task and Finish Groups, namely: <ul style="list-style-type: none"> <li>• Actions on Climate Change</li> <li>• Actions on the Wildlife and Nature Emergency</li> <li>• Contingency Planning and how we deal with Future Events</li> </ul> </li> </ol>

## Significant Governance Issues and Actions Proposed for 2022/23

### Audit Wales: Resilient and Sustainable Services

During 2020-21 a review of corporate resilience was commenced remotely, with examination and audit of relevant documents and by issuing a survey to Members and staff to gather their views.

Reporting on the outcome in April 2021, Audit Wales concluded that “the Authority responded well in the pandemic but the challenges it faced have highlighted a need to improve its resilience and sustainability in the longer term”.

### Proposals for Improvement

The table below sets out the proposals for improvement identified by Audit Wales whilst undertaking the review. During 2021/22, the Authority worked at implementing these proposals, the outcomes of which have been reported under the specific headings within this Statement. Some work is ongoing and will be progressed further in 2022/23.

PFI1	To support resilience the Authority should consolidate and appraise its new ways of working in relation to governance, business continuity and remote working.
PFI2	To maximise the impact of grant funded projects the Authority should develop a framework to appraise their potential contribution to progressing Cynllun Eryri and to ensure appropriate legacy planning takes place.
PFI3	To support greater resilience the Authority should consider how and when to expose officers to new experiences in wider services and teams to build skills, knowledge and capacity.

### Audit Wales: A Review of how the Authority is Promoting Sustainable Tourism

The audit has been undertaken but the outcome report of this review is yet to be published by Wales Audit.

### The Authority's Risk Profile

The three highest risks to the Authority as updated in March 2022, is as follows:

<b>Risk</b>	<b>Result</b>	<b>Action Identified / Progress to date</b>
Income Generating Target (Plas Tan y Bwlch).	Failure to keep within the Authority's budget.	<p>At the Authority meeting on 23rd October 2020 the decision was taken to continue operating Plas Tan y Bwlch as a B&amp;B type business in the short to medium term and to proceed with staff restructuring as outlined in the report. This decision means that the risk to the Authority has reduced somewhat. However, there is still risk to the Authority, although both the likely effect and impact have reduced somewhat.</p> <p>Following the process of re-opening the economy, Plas has had a busy season operating as outlined above. We recently reported to the Plas Board. As with the rest of the sector, we have suffered from staff shortages in places and the uncertainty of Covid. At present we are in the process of calculating the income to date for the year but we are aware that there have been cost overruns on staff as well as fuel costs for running and heating Plas. These additional costs will not be offset by income generation and have the potential to have a minor impact on the Authority's accounts.</p>

<p>Risk (publicity) as a result of the Traffic Scheme / Snowdonia Green Key Policy</p>	<p>Mismanagement leading to lack of credibility in the Authority and its partners.</p>	<p>Development of the Snowdon Plan has established a better relationship between the individual elements relating to management on Snowdon, including the Sherpa service.</p> <p>A sub-group to Cynllun Yr Wyddfa has been formed to review the Sherpa service and transport / parking issues in the area. A traffic management study for Yr Wyddfa (Snowdon) and Ogwen has been commissioned and received. The partners have considered the report's recommendations with Welsh Government. A public consultation with the communities has taken place. Transport for Wales are considering a regional approach for such matters and the formation of Corporate Joint Committees which have specific responsibility for transport may provide further opportunities.</p> <p>Unprecedented numbers of UK day visitors are expected again this summer as lockdown eases, which will cause problems for local communities. Although a partnership approach is taken, the public perception of responsibility will fall on the Authority. A number of mitigation measures have been put in place with partners for the 2021 season and will be continued for the 2022 season.</p>
<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</p>	<p>SNPA and other partners required to self finance aspects of project expenditure to date.</p>	<p>Second mid-term report to EC (and associated grant claim) due end of April 2022. Project has reached the spend threshold for submitting the claim on time.</p> <p>Official feedback from the Commission to the first mid-term report largely positive, with no major concerns raised. Minor concerns to be addressed alongside Project monitor in time for next mid-term</p>

fluctuation in the Euro / pound exchange rate.		<p>report.</p> <p>The project successfully reached the spending threshold required to enable the £2m from Welsh Government to be claimed. Welsh Government's financial contribution has now come to an end.</p>
--	--	---

## 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: 15.06.2022**




---

**ANNWEN HUGHES**

**SNOWDONIA NATIONAL PARK  
AUTHORITY CHAIR**

**DATE : 15.06.2022**

## 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

**ERAMMP** Environment and Rural Affairs Monitoring & Modelling Programme

**TAIS** Tourism Amenity Investment Support