

**Awdurdod
Parc Cenedlaethol
Arfordir Penfro**

Parc Llanion, Doc Penfro
Sir Benfro SA72 6DY

Ffôn: 01646 624800
Ffacs: 01646 689076



**Pembrokeshire Coast
National Park
Authority**

Llanion Park, Pembroke Dock
Pembrokeshire SA72 6DY

Tel: 01646 624800
Fax: 01646 689076

Tegryn Jones

Swyddog Priodol a Prif Weithredwr (Swyddog y Parc Cenedlaethol)
Proper Officer and Chief Executive (National Park Officer)

03 Chwefror 2026

**Awdurdod y Parc Cenedlaethol
10:00yb Dydd Mercher, 11 Chwefror 2026**

Annwyl Gyfaill,

Cyfeiriaf at Agenda'r cyfarfod uchod, a'i danfonir atoch yn ddiweddar.
Amgaeaf yr adroddiad ar Archwilio Cyfrifon a'u diffinnir fel un "i ddilyn".

Yn ddiffuant

Tegryn Jones

Prif Weithredwr (Swyddog y Parc Cenedlaethol)

**Awdurdod
Parc Cenedlaethol
Arfordir Penfro**

Parc Llanion, Doc Penfro
Sir Benfro SA72 6DY

Ffôn: 01646 624800
Ffacs: 01646 689076



**Pembrokeshire Coast
National Park
Authority**

Llanion Park, Pembroke Dock
Pembrokeshire SA72 6DY

Tel: 01646 624800
Fax: 01646 689076

Tegryn Jones

Swyddog Priodol a Prif Weithredwr (Swyddog y Parc Cenedlaethol)
Proper Officer and Chief Executive (National Park Officer)

03 February 2026

**National Park Authority
10:00am Wednesday 11 February 2026**

Dear Colleague,

I refer to the Agenda for the above-mentioned meeting, which was sent to you recently. Please find enclosed the Audit of Accounts Report, which was marked "to follow".

Yours sincerely

Tegryn Jones

Chief Executive (National Park Officer)

Report 01/26

National Park Authority

Report of: Head of Finance & Fundraising & Audit Wales

Subject: Audit of Accounts Report

Decision Required: Yes

Recommendation:

The Authority is recommended to:

- a. Consider and accept the Audit of Accounts report prepared by Audit Wales (Appendix 2) and approve the representation letter to auditors.
- b. Approve the Annual Narrative Report, Statement of Accounts 2024-25 and Annual Governance Statement (Appendix 3)

1. Key Messages

- 1.1.1 The Authority's accounts for the year ending 31 March 2025 are presented in the format laid down in the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 (the Code). This format incorporates the requirements of International Financial Reporting Standards (IFRS) wherever this is possible.
- 1.1.2 A draft annual narrative report and accounts were presented to members in July 2025 following completion by the deadline of 30th June 2025.
- 1.1.3 These were presented for audit and following a lengthy audit process which started in September 2025, amendments were made to the final accounts as noted in the schedule below.
- 1.1.4 The accounts have received a satisfactory, unqualified audit report.
- 1.1.5 Audit Wales have provided their Audit of Accounts report which is attached in Appendix 2.

2. Background

- 2.1 The Authority 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').
- 2.2 The Authority's responsibilities for the accounts under local government legislation and other requirements include:

- making arrangements for the proper administration of its financial affairs managing its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.
- preparing the statement of accounts, which give a true and fair view and comply with proper practices.
- maintaining proper accounting records.
- implement internal controls to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error; and
- assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by Pembrokeshire Coast National Park Authority will not continue to be provided in the future.

3. Consultation

The accounts have been audited and scrutinised by Audit Wales.

4. Strategic Policy Context

The information and recommendation(s) contained in this report are consistent with the Authority's statutory purposes and its approved strategic policy context.

5. Financial Considerations

The annual narrative report provides information on the Authority, its main objectives and strategies and the principal risks it faces. The 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

6. Risk and Compliance Considerations

The Authority operates a risk management framework and documents its key risks in the Corporate Risk Register. This is reviewed by the Audit and Corporate Services Review Committee annually. The Annual Governance Statement for 24-25 includes an assessment of current key weaknesses of the Authority's governance arrangements together with planned actions to address these.

7. Impact on our Public Sector Duties

7.1 Integrated Assessment Completed: No

7.2 Equality, Socio-Economic, Health and Human Rights Impacts

- 7.2.1 Auditing of the Accounts is a technical process and will support the Authority to fulfil its Public Sector Equality Duty and elements of wider activities that contribute to supporting people experiencing socio-economic disadvantage and that produce positive health impacts.

7.3 Welsh Language Impacts

- 7.3.1 Auditing of the Accounts is a technical process and has no impacts on the number of Welsh speakers or compliance with Welsh Language standards but enables the Authority to fulfil its duties under the Welsh Language Measure.

7.4 Section 6 Biodiversity Duty and Carbon Emission Impacts

- 7.4.1 Auditing of the Accounts is a technical process that will support the Authority to fulfil its Section 6 Biodiversity Duty and elements of wider activities that support decarbonisation. The technical process has no impacts on Carbon Emissions.

7.5 Well-being Goals for Wales and 5 Ways of Working (Sustainable Development Principles) Impacts

- 7.5.1 Auditing of the Accounts is a technical process that supports the Authority to carry out its strategic priorities in support of the Well-being Goals for Wales and the Sustainable Development Principles.

8. Conclusion

- a) **Members are invited to consider and accept the Audit of Accounts report prepared by Audit Wales,(Appendix 2) and approve the representation letter to auditors.**
- b) **The Authority approve the Annual Narrative Report, Statement of Accounts 2024-25 and AGS (Appendix 3)**

Background documents:

- Audit of Accounts Report – 2024-25 Audit
- Annual Narrative report and Statement of Accounts 2024-25 and Annual Governance Statement 24-25.

For further information on this report, please contact the Head of Finance & Fundraising or Auditor General, Audit Wales.

Appendix 1

Summary of amendments made to the draft accounts following the audit which have impacted on results:

Audit adjustments	CIES	Net assets
	£'000	£'000
Surplus per CIES/MIRS movement/Net assets per draft accounts	737	26493
Performance audit fee accrual	-17	-17
Absence holiday accrual - increase/creditors & reserves	-18	-18
EMR/Capital unapplied reserve tfr		10
EMR/Capital unapplied reserve tfr		-10
Missing debtor for car park income	18	22
Missing OFGEM debtor	10	10
Remove creditor re shed		10
Reduce Asset in the course of construction as creditor reversed		-10
Vat adj thereon		-4
Inv property valuation correction -correct ENTRY		258
Inv property valuation correction -REVERSE RR	-225	-483
Move pension liability from assets to long term liabilities		31
Move pension liability from assets to long term liabilities		-31
Insurance prepayment in twice	-6	-6
	499	26255

The above schedule does not include other adjustments which have been made to the accounts which do not impact on the results for the year e.g. disclosure enhancements & corrections.

Adroddiad Archwilio Cyfrifon – Awdurdod Parc Cenedlaethol Arfordir Penfro

Blwyddyn archwilio: 2024-25

Dyddiad cyhoeddi: Ionawr 2026



Cynnwys

Cynnwys	2
Cyflwyniad	4
Cipolwg ar eich archwiliad	5
Perthnasedd	6
Canfyddiadau'r Archwiliad	7
Tîm archwilio a chydymffurfiaeth foesegol	10
Atodiad 1 – Risgiau a chanlyniadau archwilio	11
Atodiad 2 – Crynodeb o'r cywiriadau a wnaed	18
Atodiad 3 – Adroddiad archwilio arfaethedig	29
Atodiad 4 – Llythyr cynrychiolaeth	35
Ansawdd archwilio	39
Eich cefnogi chi	40

Paratowyd y ddogfen hon fel rhan o waith a gyflawnir yn unol â swyddogaethau statudol.

Ni dderbynnir unrhyw atebolrwydd gan yr Archwilydd Cyffredinol, Swyddfa Archwilio Cymru na staff Swyddfa Archwilio Cymru mewn perthynas ag unrhyw ddibyniaeth ar y ddogfen hon neu ddefnydd arall ohoni gan unrhyw aelod, cyfarwyddwr, swyddog na gweithiwr arall yn rhinwedd eu swydd unigol, neu unrhyw ddefnydd gan unrhyw drydydd parti.

I gael rhagor o wybodaeth, neu os oes angen unrhyw un o'n cyhoeddiadau arnoch mewn fformat a/neu iaith arall, cysylltwch â ni dros y ffôn ar 029 2032 0500, neu drwy e-bostio post@archwilio.cymru.

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

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

Cyflwyniad



Adrian Crompton

Archwilydd
Cyffredinol Cymru

Mae'n bleser gennyf rannu fy Adroddiad ar Archwiliad Cyfrifon. Mae'r Adroddiad yn crynhoi prif ganfyddiadau fy archwiliad o'ch cyfrifon ar gyfer 2024-25. Mae fy nhîm eisoes wedi trafod y canfyddiadau hyn gyda'r Pennaeth Cyllid.

Mae fy nhîm wedi cwblhau'r gwaith archwilio i raddau helaeth fel y'i nodir yn fy Nghynllun Archwilio dyddiedig Ebrill 2025, yn amodol ar gwblhau'r prosesau adolygu a chau terfynol.

Ers fy Nghynllun Archwilio, rwyf wedi diweddarau perthnasedd i adlewyrchu cyfrifon 2024-25. Mae fy ymateb i'r risgiau archwilio a nodwyd yn flaenorol wedi'i nodi yn **Atodiad 1**.

Mae'n ofynnol i mi roi barn ynghylch a yw'r cyfrifon wedi'u paratoi'n briodol, ac a ydynt yn rhoi darlun gwir a theg, ym mhob agwedd berthnasol. Mae fy marn archwilio arfaethedig a'r sail ar ei chyfer wedi'u hamlinellu yn **Atodiad 3**.

Cyfrifoldeb y rhai sy'n gyfrifol am lywodraethu yw mynd i'r afael ag unrhyw faterion a godir yn fy adroddiad a rhoi Llythyr Cynrychiolaeth i mi.

Hoffwn ddiolch i swyddogion a staff Awdurdod Parc Cenedlaethol Arfordir Penfro (yr Awdurdod) am eu cydweithrediad drwy gydol y broses archwilio a fu'n werthfawr wrth gwblhau'r archwiliad hwn yn effeithiol.

Cipolwg ar eich archwiliad



Rydym yn bwriadu cyhoeddi **barn ddiamod** ar y cyfrifon.

Gweler [Atodiad 3](#)



Mae **un mater arwyddocaol** i'w nodi, ac mae un maes i'w **ystyried ymhellach**.

Gweler [Canfyddiadau'r archwiliad](#)

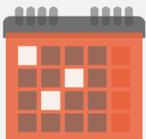


Nid oes **unrhyw gamddatganiadau nas cywirwyd** yn y cyfrifon.

Gweler [Canfyddiadau'r archwiliad](#)



Cafwyd y cyfrifon drafft ar **7 Awst 2025**, ar ôl y dyddiad cau, sef **30 Mehefin 2025**.



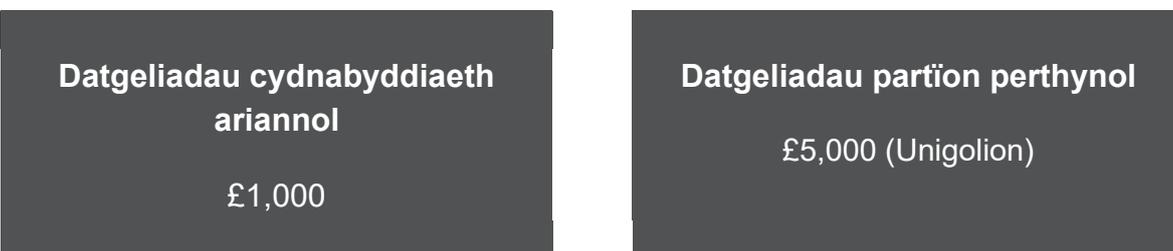
Ein bwriad yw ardystio eich cyfrifon ar **13 Chwefror 2026**, sydd ar ôl y dyddiad cau ar **31 Hydref 2025**.

Perthnasedd

Rwy'n defnyddio barn broffesiynol i osod trothwy perthnasedd er mwyn nodi a chywiro camddatganiadau a allai effeithio ar benderfyniadau defnyddwyr, gan ystyried gwallau ariannol a gofynion datgelu yn unol â'r fframwaith a'r cyfreithiau cyfrifyddu perthnasol. Mae fy nhîm yn diweddarau perthnasedd drwy gydol yr archwiliad ac rwy'n cynnwys yn yr adroddiad hwn faterion sy'n fwy na'm trothwy adrodd, fel y nodir isod:



Mae rhai meysydd o'r cyfrifon a allai fod yn fwy pwysig i ddefnyddiwr y cyfrifon. Rydym yn cadarnhau lefelau perthnasedd is ar gyfer y rhain:



Canfyddiadau'r Archwiliad

Camddatganiadau

Nodwyd rhai camddatganiadau nas cywirwyd yn y cyfrifon.

Camddatganiadau nas cywirwyd

Ni nodwyd unrhyw gamddatganiadau yn y cyfrifon, nas cywirwyd o hyd.

Camddatganiadau a gywirwyd

Yn ystod ein harchwiliad, gwnaethom nodi camddatganiadau a gywirwyd gan y rheolwyr, ond yr ydym yn ystyried y dylid tynnu eich sylw atynt.

Mae'r rhain wedi'u nodi yn **Atodiad 2**.

Materion pwysig eraill

Mae Safon Ryngwladol ar Archwilio 260 yn ei gwneud hi'n ofynnol i ni gyfathrebu â'r rhai sy'n gyfrifol am lywodraethu. Rhaid i ni roi gwybod i chi am ganfyddiadau arwyddocaol o'r archwiliad a materion eraill os ydynt yn arwyddocaol i'ch goruchwyliaeth o broses adrodd ariannol yr Awdurdod.

Mae un mater arwyddocaol i'w nodi.

Gwallau sylfaenol o fewn balans y Gronfa Ailbrisio

Nododd profion archwilio nifer o wallau o fewn y Gronfa Ailbrisio (Nodyn 30) a gwnaed gwelliannau i'r datganiadau ariannol o ganlyniad i hyn (gweler **Atodiad 2**).

Dylai'r balans ar y Gronfa Ailbrisio fod yn hafal i'r Gwerth Net Cyfredol o Eiddo, Peiriannau ac Offer llai'r Gwerth Hanesyddol Net o Eiddo, Peiriannau ac Offer. Nid yw hyn yn wir yn natganiadau ariannol yr Awdurdod, sy'n awgrymu rhai cofnodion anghywir a allai fod yn dyddio'n ôl nifer o flynyddoedd. Er bod rhai o'r gwallau hyn wedi'u nodi a'u diwygio ar gyfer y gwaith archwilio eleni (diwygiad o £1,509,912 yn **Atodiad 2**), mae gwahaniaeth o £27,189 yn parhau.

Er nad yw'r gwahaniaeth hwn yn sylweddol (ac felly rydym yn gallu rhoi barn archwilio ddiamod), mae dros y lefel ddibwys o £11,115, sy'n ei gwneud yn ofynnol i ni roi gwybod i chi am hyn.

Rydym yn argymhell bod yr Awdurdod yn adolygu ac yn cywiro'r gwall hwn yn 2025-26.

Barn archwilio arfaethedig

Barn archwilio

Rydym yn bwriadu cyhoeddi barn ddiamod gwir a theg ar gyfrifon eleni ar ôl i chi roi Llythyr Cynrychiolaeth i ni (gweler isod).

Mae ein hadroddiad archwilio arfaethedig wedi'i nodi yn **Atodiad 3**.

Llythyr cynrychiolaeth

Llythyr ffurfiol yw Llythyr Cynrychiolaeth lle rydych yn cadarnhau cywirdeb a chyflawnrwydd y wybodaeth a ddarparwyd i ni yn ystod yr archwiliad. Mae rhywfaint o'r wybodaeth hon yn ofynnol gan safonau archwilio; gall gwybodaeth arall fod yn ymwneud yn benodol â'ch archwiliad.

Mae'r llythyr rydym yn gofyn i chi ei lofnodi wedi'i gynnwys yn Atodiad 4.

Ystyriaethau eraill

Byddwn yn parhau i weithio gydag Awdurdod Parc Cenedlaethol Arfordir Penfro a'r sector ehangach i adolygu ein huchelgais i ddod â'r dyddiad cau archwilio ymlaen i fis Medi 2026, fel rhan o'r broses archwilio a chyfrifon 2025-26.

Er mwyn bodloni'r terfynau amser hyn, bydd yn hanfodol bod y cyfrifon a'r datganiad llywodraethu blynyddol yn cael eu derbyn mewn pryd, eu bod o ansawdd uchel a'u cefnogi'n llawn, gyda'r holl bapurau gwaith ar gael a'r ansawdd wedi'i asesu ar ddechrau'r archwiliad. Hefyd, bydd angen i staff fod ar gael drwy gydol y ffenestr archwilio i sicrhau bod ymholiadau archwilio yn cael eu datrys mewn modd amserol.

Cafwyd y datganiadau ariannol drafft ar 7 Awst 2025, sef ar ôl y dyddiad cau ar 30 Mehefin 2025 eleni ac, o ganlyniad, yn unol â chytundeb yn y sector Llywodraeth Leol, ni flaenoriaethwyd cyfrifon yr Awdurdod ar gyfer archwilio erbyn y dyddiad cau y cytunwyd arno sef 31 Hydref 2025. Gyda'r ffenestr cynhyrchu ac archwilio cyfrifon yn lleihau'r flwyddyn nesaf, bydd

sicrhau'r cyfrifon diwygiedig hyn a'r dyddiadau cau archwilio ar gyfer 2025-26 yn fwy heriol fyth.

Nid ydym wedi gwneud argymhelliad ynghylch y mater hwn. Byddwn yn ei drafod fel rhan o'n dysgu ar ôl y prosiect archwilio gyda swyddogion, i asesu'r sefyllfa a gweithio gyda swyddogion er mwyn helpu i gyflawni'r dyddiadau cau cynharach.

Hoffem ddiolch i swyddogion am eu hymgysylltiad cadarnhaol â'r tîm archwilio drwy gydol archwiliad eleni.

Tîm archwilio a chydymffurfiaeth foesegol

Mae prif aelodau fy nhîm a wnaeth y gwaith archwilio, ynghyd â'u manylion cyswllt, wedi'u crynhoi yn **Arddangosyn 1**.

Arddangosyn 1: fy nhîm archwilio lleol

Cyfarwyddwr Archwilio

Gareth Lucey

gareth.lucey@archwilio.cymru

Rheolwr Archwilio

Jason Blewitt

jason.blewitt@archwilio.cymru

Arweinydd Archwilio

Isabel Hammond

isabel.hammond@archwilio.cymru

Cydymffurfio â safonau moesegol

Rydym yn cadarnhau:

- ein bod wedi cydymffurfio â'r safonau moesegol y mae'n ofynnol i ni eu dilyn wrth gyflawni ein gwaith;
- ein bod wedi aros yn annibynnol arnoch chi'ch hunain;
- nid yw ein gwrthrychedd wedi'i gyfyngu; a
- nid oes gennym unrhyw berthnasoedd a allai danseilio ein hannibyniaeth na'n gwrthrychedd.

Atodiad 1 – Risgiau a chanlyniadau archwilio

Mae **Arddangosyn 2** yn rhestru'r risgiau archwilio sydd wedi'u cynnwys yn fy Nghynllun Archwilio ac yn nodi sut y cawsant eu trin fel rhan o'r archwiliad.

Arddangosyn 2: risgiau archwilio a nodwyd yn flaenorol, gwaith a wnaed a'r canlyniad

Risg archwilio	Gwaith a wnaed	Canlyniad
<p>Risg o wrthwneud gan reolwyr</p> <p>Mae'r risg y bydd rheolwyr yn diystyru rheolaethau yn bresennol ym mhob endid. Oherwydd y ffordd anrhagweladwy y gallai gwrthbwysu o'r fath ddigwydd, fe'i hystyrir yn risg sylweddol.</p>	<p>Gwnaeth y tîm archwilio'r canlynol:</p> <ul style="list-style-type: none">• profi priodoldeb cofnodion cyfnodolyn ac addasiadau eraill a wnaed wrth baratoi'r datganiadau ariannol;• adolygu amcangyfrifon cyfrifyddu am ragfarn;• gwerthuso'r rhesymeg dros unrhyw drafodion arwyddocaol y tu allan i gwrs busnes arferol.	<p>Ni nododd y gwaith archwilio unrhyw achosion o reolwyr yn diystyru rheolaethau.</p>

Risg archwilio	Gwaith a wnaed	Canlyniad
<p>Gwerthuso rhwymedigaeth/gwarged net y gronfa bensiwn</p> <p>Mae rhwymedigaeth cronfa bensiwn cynllun Pensiwn Llywodraeth Leol (LGPS) fel y'i hadlewyrchir yn y datganiadau ariannol yn amcangyfrif perthnasol. Mae natur yr amcangyfrif hwn yn golygu ei fod yn destun gradd uchel o ansicrwydd amcangyfrif gan ei fod yn sensitif i addasiadau bach yn y rhagdybiaethau a ddefnyddir yn ei gyfrifiad. Mae effaith amodau economaidd, yn enwedig lefelau cyfraddau llog, yn cael effaith sylweddol ar y rhwymedigaeth (ar 31 Mawrth 2024, er enghraifft, roedd y rhwymedigaeth mewn gwirionedd yn warged, yn bennaf oherwydd cyfraddau llog uwch). Mae yna hefyd nifer o achosion cyfreithiol a allai effeithio ar brisiad y rhwymedigaeth net. Felly, mae risg bod y rhwymedigaeth/gwarged wedi'i cham-ddatgan yn sylweddol.</p>	<p>Gwnaeth fy nhîm archwilio'r canlynol:</p> <ul style="list-style-type: none">• gwerthuso'r cyfarwyddiadau a gyhoeddwyd gan y rheolwyr i'w harbenigwyr rheoli (actwari) ar gyfer yr amcangyfrif hwn a chwmpas gwaith yr actwari;• asesu cymhwysedd, galluoedd a gwrthrychedd yr actiwari a gynhaliodd y gwerthusiadau;• asesu cywirdeb a chyflawnrwydd y wybodaeth a ddarparwyd gan yr Awdurdod i'r actiwari i amcangyfrif y rhwymedigaeth;• profi cywirdeb rhwymedigaethau net a datgeliadau'r gronfa bensiwn yn y datganiadau ariannol gyda'r adroddiad actiwaraid gan yr actiwari;• asesu rhesymoldeb y rhagdybiaethau a wnaed gan yr actiwari drwy adolygu	<p>Ni nododd y gwaith archwilio unrhyw faterion sylweddol.</p>

Risg archwilio	Gwaith a wnaed	Canlyniad
	<p>adroddiad yr actiwari ymgynghorol (arbenigwr yr archwilydd) a chynnal unrhyw weithdrefnau ychwanegol sy'n ofynnol;</p> <ul style="list-style-type: none">• asesu a allai unrhyw achosion cyfreithiol gael effaith sylweddol ar y rhwymedigaeth net, ac os felly, cadarnhau bod hyn wedi'i gydnabod a'i ddatgelu'n briodol yn y datganiadau ariannol.	
<p>Prisiad Tir ac Adeiladau</p> <p>Mae gwerth tir ac adeiladau a adlewyrchir yn y fantolen a'r nodiadau i'r cyfrifon yn amcangyfrifon perthnasol.</p> <p>Mae'n ofynnol dal tir ac adeiladau ar sail gwerthuso sy'n dibynnu ar natur a defnydd yr asedau. Mae'r amcangyfrif hwn yn destun gradd uchel o oddrychedd, yn dibynnu ar y rhagdybiaethau arbenigol a rheolwyr, a gall newidiadau yn y rhain arwain at newidiadau sylweddol i werthusiadau.</p>	<p>Gwnaeth fy nhîm archwilio'r canlynol:</p> <ul style="list-style-type: none">• adolygu'r wybodaeth a ddarparwyd i'r prisiwr i asesu a yw'n gyflawn;• gwerthuso cymhwysedd, galluedd a gwrthrychedd y prisiwr proffesiynol;• profi sampl o asedau a ail-brisiwyd yn ystod y flwyddyn i sicrhau bod y sail brisio, y data allweddol a'r rhagdybiaethau a ddefnyddiwyd yn y broses brisio yn	<p>Ni nododd y gwaith archwilio unrhyw faterion perthnasol ond gwnaed rhai gwelliannau (gweler Atodiad 2) ac rydym hefyd wedi adrodd am faterion ynghylch balans y Gronfa Ailbrisio yn yr adroddiad hwn.</p>

Risg archwilio	Gwaith a wnaed	Canlyniad
<p>Mae'n ofynnol ailbriso asedau bob pum mlynedd, ond gall gwerthoedd newid o'r naill flwyddyn i'r llall hefyd, ac mae risg y gallai gwerth cario asedau a gydnabyddir yn y cyfrifon fod yn sylweddol wahanol i werth cyfredol asedau ar 31 Mawrth 2025, yn enwedig yn yr amgylchedd economaidd presennol.</p>	<p>rhesymol, a bod yr ailbrisiadau wedi'u hadlewyrchu'n gywir yn y datganiadau ariannol;</p> <ul style="list-style-type: none">• profi'r cysoniad rhwng y llyfr cyfrifon ariannol, systemau asedau ategol a'r gofrestr asedau.	
<p>Cydnabyddiaeth Ariannol Uwch-swyddogion</p> <p>Er nad oes unrhyw newidiadau sylweddol yn nifer yr uwch-swyddogion ar gyfer 2024-25, mae'r gydnabyddiaeth ariannol a delir i uwch-swyddogion yn parhau i fod o ddiddordeb mawr ac yn berthnasol o ran natur.</p> <p>Felly, mae risg y gallai hyd yn oed gwallau gwerth isel yn y datgeliad arwain at gamddatganiad perthnasol.</p>	<p>Gwnaeth fy nhîm archwilio'r canlynol:</p> <ul style="list-style-type: none">• ddeall y newidiadau yn yr uwch-dîm reoli yn ystod 2024-25;• sicrhau bod y gydnabyddiaeth ariannol a ddatgelir yn gyson â'r dystiolaeth ategol;• sicrhau bod y symiau a dalwyd yn gyson â'r symiau hynny a gymeradwywyd gan yr Awdurdod;• sicrhau bod datgeliadau'n gyflawn yn seiliedig ar wybodaeth y tîm ac wedi cael eu paratoi yn unol â'r gofynion.	<p>Gwnaethom adolygu'r datgeliadau Cydnabyddiaeth Ariannol ac ni wnaethom nodi unrhyw faterion sylweddol.</p>

Risg archwilio	Gwaith a wnaed	Canlyniad
<p>Gweithredu Safon Gyfrifyddu Ryngwladol (IFRS) 16 – Lesoedd</p> <p>Mae'n ofynnol i gyrff Llywodraeth Leol fabwysiadu Lesoedd IFRS16 o 1 Ebrill 2024.</p> <p>Mae hyn yn newid y driniaeth gyfrifyddu a'r datgeliadau sy'n ofynnol ar gyfer asedau ar brydles yn sylweddol, ac yn golygu y bydd y rhan fwyaf o brydlesi yn arwain at ased a rhwymedigaeth ar fantolenni.</p> <p>Mae risg nad yw gofynion yr IFRS yn cael eu mabwysiadu'n briodol ac, o ganlyniad, fod y datganiadau ariannol wedi'u cam-ddatgan yn sylweddol.</p>	<p>Gwnaeth fy nhîm archwilio'r canlynol:</p> <ul style="list-style-type: none">• adolygu papurau gwaith yr Awdurdod i sicrhau bod pob les sy'n dod o fewn cwmpas y Safon wedi'i chynnwys yn y cyfrifiadau;• profi sampl o gyfrifiadau asedau a rhwymedigaethau i sicrhau bod y rhagdybiaethau'n rhesymol, a bod y cyfrifiadau wedi'u paratoi'n gywir;;• cadarnhau bod gwerthoedd asedau a rhwymedigaethau wedi'u cyfrif a'u datgelu'n gywir yn y datganiadau ariannol.	<p>Ni nododd y gwaith archwilio unrhyw faterion sylweddol.</p>
<p>Datgeliadau partïon perthynol</p> <p>Rhaid i'r datganiadau ariannol ddatgelu unrhyw berthnasoedd â phartïon perthynol, ynghyd â'r trafodion a'r balansau rhwng yr Awdurdod a'r corff/parti arall.</p> <p>Mae gan yr Awdurdod lawer o berthnasoedd y</p>	<p>Gwnaeth fy nhîm archwilio'r canlynol:</p> <ul style="list-style-type: none">• adolygu proses yr Awdurdod ar gyfer nodi berthnasoedd partïon perthynol a thrafodion a balansau cysylltiedig;• ymgymryd â gweithdrefnau i gadarnhau	<p>Ni nododd y gwaith archwilio unrhyw faterion sylweddol.</p>

Risg archwilio	Gwaith a wnaed	Canlyniad
<p>gellid eu hystyried yn barti perthynol. Mae llawer yn adnabyddus, er enghraifft, Llywodraeth Cymru fel cyllidwr.</p> <p>Fodd bynnag, lle mae perthnasoedd â phartïon perthynol yn codi drwy berthnasoedd â swyddogion neu aelodau unigol, mae'n debygol y bydd llai o dryloywder ynghylch y perthnasoedd hyn. Mae'r trafodion hyn o ddiddordeb uchel ac fe'u hystyri'r yn berthnasol oherwydd eu natur</p> <p>Mae risg o gamddatganiad perthnasol oherwydd datgeliadau anghyflawn neu anghywir, hyd yn oed pan fo'r rhain o werth cymharol isel.</p>	<p>cyflawnrwydd perthnasoedd â phartïon perthynol;</p> <ul style="list-style-type: none">• sicrhau bod datgeliadau'n gyflawn, yn gywir, yn gyson â thystiolaeth ac yn unol â'r Cod Llywodraeth Leol.	
<p>Paratoi'r Cyfrifon</p> <p>Yn ystod y ddwy flynedd archwilio ddiwethaf, rydym wedi adrodd i chi fod angen cryfhau'r trefniadau i sicrhau ansawdd y cyfrifon drafft a'r papurau gwaith a gyflwynir i'w harchwilio. Yn ystod archwiliad 2023-24, codwyd ffi archwilio ychwanegol ar yr</p>	<p>Trafododd ac adolygodd fy nhîm archwilio'r broses gau a'r trefniadau sicrhau ansawdd ar gyfer paratoi'r cyfrifon a cheisiodd helpu i nodi meysydd lle roedd bylchau yn y trefniadau.</p>	<p>Nododd gwaith archwilio lai o wallau yn y cyfrifon drafft a'r papurau gwaith nag yn y blynyddoedd blaenorol, sy'n awgrymu bod rhaigwelliannau'n cael eu gwneud. Mae angen nifer o ddiwygiadau o hyd fel y dangosir yn Atodiad 2, sy'n awgrymu y gellir gwneud rhagor o</p>

Risg archwilio

Gwaith a wnaed

Canlyniad

Awdurdod, o ganlyniad i'r gwallau a nodwyd yn ystod yr archwiliad a'r gwaith archwilio ychwanegol oedd ei angen.

Mae risg nad yw ansawdd y cyfrifon a'r papurau gwaith ategol o safon briodol, gan arwain at gynnydd mewn achosion o wallau.

welliannau i drefniadau sicrhau ansawdd.

Atodiad 2 – Crynodeb o'r cywiriadau a wnaed

Yn ystod ein harchwiliad, gwnaethom nodi'r camddatganiadau canlynol a gywirwyd gan y rheolwyr, ond yr ydym yn ystyried y dylid tynnu eich sylw atynt.

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
Datgeliad yn Unig (Dim effaith gyffredinol ar y datganiadau ariannol)	Gwariant ac Incwm wedi'u dadansoddi yn ôl gweithgaredd (Nodyn 6) Nododd profion archwilio £1,411,770 a oedd wedi'i gynnwys o fewn llinell 'Ffioedd, taliadau ac incwm gwasanaethau' Nodyn 6 yn ymwneud ag incwm grant gwasanaethau penodol a gafwyd a ddylai fod wedi'i gynnwys ddylai fod wedi'i gynnwys o fewn llinell 'Grantiau a chyfraniadau'r Llywodraeth'. Diweddarwyd y datgeliad naratif yn y datganiadau ariannol i adlewyrchu natur yr incwm a gafwyd. Gan mai nodyn datgelu yw hwn, nid oedd unrhyw effaith gyffredinol ar y datganiadau ariannol.	Er mwyn sicrhau cywirdeb y datganiadau ariannol.

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
£225,000	<p>Mantolen ac Eiddo, Offer a Chyfarpar (Nodyn 17)</p> <p>Nododd profion archwilio ased a oedd wedi'i ailbriso'n anghywir yn unol â gofynion y Cod Llywodraeth Leol.</p> <p>Ailbrisiwyd yr ased yn dilyn hynny gan ddefnyddio'r sail gywir gan arwain at ostyngiad o £225,000 yng ngwerth Tir ac Adeiladau Gweithredol yn Nodyn 17.</p>	<p>Er mwyn sicrhau cydymffurfiaeth â'r Cod Llywodraeth Leol.</p>
£1,509,912 (Dim effaith gyffredinol ar y datganiadau ariannol)	<p>Cronfa Ailbriso Wrth Gefn (Nodyn 30)</p> <p>Nododd profion archwilio nad oedd y balans ar y Gronfa Ailbriso yn hafal i'r Gwerth Cyfredol Net o Eiddo, Peiriannau ac Offer minws Gwerth Hanesyddol Net o Eiddo, Peiriannau ac Offer ar gyfer nifer o asedau.</p> <p>O ganlyniad, diwygiwyd y balans Cost Hanesyddol £1,509,912.</p> <p>Nid oedd unrhyw effaith gyffredinol ar y datganiadau ariannol o ganlyniad i'r diwygiad hwn.</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol a chydymffurfiaeth â safonau/Cod cyfrifyddu.</p>
£171,000	<p>Datganiad Incwm a Gwariant Cynhwysfawr</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol a</p>

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
	<p>(CIES) a Gronfa Ailbrisió Wrth Gefn (Nodyn 30)</p> <p>Nododd profion archwilio fod y gwerthoedd a gynhwyswyd ar gyfer y llinellau ‘Cynnydd yng ngwerth asedau’ a ‘Gostyngiad yng ngwerth asedau’ o fewn y Gronfa Ailbrisió Wrth Gefn yn anghywir ac nad oeddent yn adlewyrchu’r symudiadau cywir yng ngwerthoedd asedau. Yn ogystal, nid oedd y datganiadau ariannol yn adlewyrchu’r hyn a ddylai fod wedi’i godi’n gywir yn erbyn y CIES a’r Gronfa Ailbrisió Wrth Gefn ar gyfer symudiadau ailbrisió (ac arweiniodd at rai asedau o fewn y Gronfa Ailbrisió Wrth Gefn yn dangos balansau negyddol yn anghywir).</p> <p>O ganlyniad, diwygiwyd Nodyn 30 a’r CIES 171,000 i -£440,000.</p>	<p>chydymffurfiaeth â safonau/Cod cyfrifyddu.</p>
<p>£54,000</p>	<p>Datganiad Llif Arian a Datganiad llif arian – llif arian net o weithgareddau gweithredol (Nodyn 31) a</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
	<p>Datganiad llif arian – llif arian net o weithgareddau buddsoddi (Nodyn 32)</p> <p>Roedd Nodyn 31 yn eithrio ailbrisiadau Eiddo, Offer a Chyfarpar yn anghywir £54,000.</p> <p>Roedd y cynnydd mewn buddsoddiadau yn ystod y flwyddyn o £181,000 wedi'i gynnwys yn anghywir yn Nodyn 31, yn hytrach na bod yr elw o fuddsoddiadau o £181,000 yn ymwneud â llog a gafwyd wedi'i gynnwys yn Nodyn 32.</p>	
<p>£130,000 (Dim effaith gyffredinol ar y datganiadau ariannol)</p>	<p>Credydwyr (Nodyn 27)</p> <p>Nododd profion archwilio fod £130,000 o Dderbyniadau Ymlaen Llaw wedi'u cynnwys yn anghywir o fewn Taliadau Eraill. Diwygiwyd y datganiadau ariannol i gywiro hyn. Nid oedd unrhyw effaith gyffredinol ar gyfanswm y Credydwyr.</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>
<p>£58,000 (Dim effaith gyffredinol ar y</p>	<p>Trafodion Partïon Perthynol (Nodyn 35)</p> <p>Diwygiwyd Incwm Llywodraeth Cymru o fewn</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
datganiadau ariannol)	<p>Nodyn 35 o £6,118,000 i £6,176,000, er mwyn sicrhau ei fod yn cytuno â'r swm gwirioneddol a gafwyd.</p> <p>Gan mai nodyn datgelu yw hwn, nid oedd unrhyw effaith gyffredinol ar y datganiadau ariannol.</p>	
£43,000 (Dim effaith gyffredinol ar y datganiadau ariannol)	<p>Dyledwyr (Nodyn 25)</p> <p>Nododd profion archwilio fod £43,000 o Grantiau Derbyniadwy wedi'u cynnwys yn anghywir o fewn Derbyniadau Masnach. Diwygiwyd y datganiadau ariannol i gywiro hyn ac nid oedd unrhyw effaith gyffredinol ar gyfanswm y Dyledwyr.</p>	Er mwyn sicrhau cywirdeb y datganiadau ariannol.
£32,000	<p>Datganiad Incwm a Gwariant Cynhwysfawr (CIES) a Dyledwyr (Nodyn 25)</p> <p>Nododd profion archwilio fod £32,000 o incwm yn ddyledus i'r Awdurdod wedi'i hepgor. Diwygiwyd y datganiadau ariannol i gynnwys hyn o fewn Dyledwyr ac Incwm.</p>	Er mwyn sicrhau cywirdeb y datganiadau ariannol.
£31,000	<p>Mantolen</p>	Er mwyn sicrhau cywirdeb y datganiadau ariannol.

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
(Dim effaith gyffredinol ar y datganiadau ariannol)	<p>Roedd Rhwymedigaeth y Gronfa Bensiwn o £31,000 wedi'i chynnwys yn anghywir o fewn Asedau yn hytrach na Rhwymedigaethau o fewn y Fantolen.</p> <p>Diwygiwyd y datganiadau ariannol i gywiro hyn heb unrhyw effaith gyffredinol ar y cyfansymiau.</p>	
£17,303	<p>Datganiad Incwm a Gwariant Cynhwysfawr, Fantolen, Ffioedd Archwilio (Nodyn 16) a Chredydwy'r (Nodyn 27)</p> <p>Nododd profion archwilio nad oedd y Ffioedd Archwilio Perfformiad o £17,303 wedi'u cronni yn y datganiadau ariannol.</p> <p>Diwygiwyd y datganiadau ariannol i gynnwys hyn o fewn Gwariant, Credydwy'r a'r nodyn Ffioedd Archwilio.</p> <p>Diweddarwyd naratif Ffioedd Archwilio Nodyn 16 hefyd i adlewyrchu'r disgrifiad cywir fel gwaith Archwilio Ariannol ac Archwilio Perfformiad yn hytrach na 'Ffioedd yn daladwy i Swyddfa Archwilio Cymru mewn</p>	Er mwyn sicrhau cywirdeb y datganiadau ariannol.

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
	<p>perthynas â gwasanaethau archwilio allanol a gyflawnir gan yr archwilydd penodedig a'r Ffioedd yn daladwy i Archwilydd Cyffredinol Cymru mewn perthynas ag arolygiadau statudol a Mesur Llywodraeth Leol 2011'.</p>	
<p>£18,303</p>	<p>Datganiad Incwm a Gwariant Cynhwysfawr (CIES) a Chredydwyr (Nodyn 27)</p> <p>Nododd profion ar y Croniad Gwyliau o fewn Credydwyr rai gwallau yn y cyfrifiad a arweiniodd at dan-ddatganiad o £18,303. Diwygiwyd y datganiadau ariannol i gynyddu Credydwyr (Nodyn 27) a gwariant gan y swm hwn.</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>
<p>Amrywiol</p>	<p>Cyfrif Addasu Cyfalaf (Nodyn 30)</p> <p>Nododd profion archwilio y gwallau canlynol:</p> <ul style="list-style-type: none"> • bod y llinell 'Ailbriso Eiddo, Offer a Chyfarpar' yn Nodyn 30 yn anghywir a dylai fod yn -£54,000 yn hytrach na £14,000; 	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
	<ul style="list-style-type: none"> • bod y llinell ‘Trosglwyddo asedau buddsoddi i dir ac adeiladau gweithredol’ hefyd yn anghywir a dylai fod yn £0 yn hytrach na £5,000; • bod y llinell ‘Grantiau cyfalaf a chyfraniadau a gredydwyd i’r CIES sydd wedi’u cymhwyso i gyllid cyfalaf’ yn anghywir a dylai fod yn £47,000 yn hytrach na £152,000. <p>Diwygiwyd y datganiadau ariannol i gywiro’r rhain.</p>	
<p>£11,976</p>	<p>Credydwyr (Nodyn 27) Nododd profion archwilio anfoneb am £11,976 a oedd wedi’i chynnwys yn anghywir o fewn Credydwyr, gan ei bod ar gyfer gwaith a gafwyd ac a dalwyd amdano ar ôl diwedd y flwyddyn. Diwygiwyd y datganiadau ariannol i dynnu hyn oddi wrth y Credydwyr.</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>
<p>£8,000 (Dim effaith gyffredinol ar y</p>	<p>Cydnabyddiaeth Ariannol Uwchswyddogion (Nodyn 13)</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
datganiadau ariannol)	<p>Nododd profion archwilio y dylai Cyfraniadau Pensiwn Cyflogwr y Cyfarwyddwr (Adfer Natur a Thwristiaeth) fod yn £8,000 nid £7,000.</p> <p>Yn ogystal, diwygiwyd y nodyn i gynnwys y gydnabyddiaeth ariannol i'r Swyddog adran 151 o £7,000.</p> <p>Gan mai nodyn datgelu yw hwn, nid oedd unrhyw effaith gyffredinol ar y datganiadau ariannol.</p>	
Amrywiol (Dim effaith gyffredinol ar y prif ddatganiadau)	Gwnaed nifer o welliannau bach eraill i'r datganiadau ariannol yn ymwneud â diwygiadau i ddatgeliadau gwybodaeth, newidiadau naratif neu wallau teipio.	Er mwyn sicrhau cywirdeb y datganiadau ariannol.
£340,078 (Dim effaith ar y prif ddatganiadau)	<p>Ymrwymadau Cyfalaf (Nodyn 21)</p> <p>Nododd profion archwilio fod ymrwymadau cyfalaf yn cynnwys eitemau lle nad oedd contract yn bodoli ar ddiwedd y flwyddyn neu ymrwymadau a gyfrifwyd yn anghywir ar ddiwedd y flwyddyn. Dylai cyfanswm yr ymrwymadau cyfalaf fod yn £710,921 nid</p>	Er mwyn sicrhau cywirdeb y datganiadau ariannol.

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
	<p>£1,050,999. Diwygiwyd y datganiadau ariannol ar gyfer hyn. Gan mai nodyn datgelu yw hwn, nid oedd unrhyw effaith gyffredinol ar y datganiadau ariannol.</p>	
<p>£28,000 (Dim effaith gyffredinol ar y prif ddatganiadau)</p>	<p>Addasiadau rhwng y Sail Gyfrifyddu a'r Sail Ariannu (Nodyn 5)</p> <p>Nododd profion archwilio y dylai ffigur pensiynau 'Incwm a Gwariant Eraill' yn Nodyn 5 fod yn £313,000 nid £336,000.</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>
<p>£46,163 and £200,199 (Dim effaith gyffredinol ar y prif ddatganiadau)</p>	<p>Trefniadau Prydles a Math o Brydles (Nodyn 22)</p> <p>Nododd profion archwilio fod hyd y brydles a'r tâl rhent anghywir wedi'u defnyddio ar gyfer tair prydles wrth gyfrifo'r dadansoddiad aeddfedrwydd.</p> <p>Mae dadansoddiad y les wedi'i danddatgan £46,163 ac mae dadansoddiad y les wedi'i orddatgan £200,199.</p> <p>Diwygiwyd y datganiadau ariannol i gywiro'r rhain.</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>
<p>£27,690</p>	<p>Trefniadau Prydles a Math o Brydles (Nodyn 22)</p>	<p>Er mwyn sicrhau cywirdeb y datganiadau ariannol.</p>

Gwerth y cywiriad	Maes cyfrifon	Eglurhad
(Dim effaith gyffredinol ar y prif ddatganiadau)	Nododd profion archwilio fod y dadansoddiad aeddfedrwydd ar gyfer asedau hawl defnydd wedi hepgor un ased hawl defnydd ar gam. O ganlyniad, tanamcangyfrifwyd rhwymedigaethau prydles ar gyfer dadansoddiad asedau hawl defnydd o £27,690 gyda gorddatganiad cyfatebol ar ddadansoddiad aeddfedrwydd rhwymedigaethau prydles eraill. Diwygiwyd y datganiadau ariannol i gywiro hyn.	

Atodiad 3 – Adroddiad archwilio arfaethedig

Adroddiad archwilio arfaethedig

Adroddiad yr archwilydd annibynnol gan Archwilydd Cyffredinol Cymru i aelodau Awdurdod Parc Cenedlaethol Arfordir Penfro

Barn ar y datganiadau ariannol

Rwyf wedi archwilio datganiadau ariannol Awdurdod Parc Cenedlaethol Arfordir Penfro ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2025 o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004.

Mae datganiadau ariannol Awdurdod Parc Cenedlaethol Arfordir Penfro yn cynnwys y Datganiad Symudiadau mewn Cronfeydd Wrth Gefn, y Datganiad Incwm a Gwariant Cynhwysfawr, y Fantolen, y Datganiad Llif Arian a'r nodiadau cysylltiedig, gan gynnwys crynodeb o bolisïau cyfrifyddu arwyddocaol.

Y fframwaith adrodd ariannol a gymhwyswyd wrth eu paratoi yw'r gyfraith berthnasol a safonau cyfrifyddu rhyngwladol a fabwysiadwyd gan y DU fel y'u dehonglwyd ac y'u haddaswyd gan y Cod Ymarfer ar Gyfrifyddu Awdurdodau Lleol yn y Deyrnas Unedig 2025.

Yn fy marn i, ym mhob agwedd berthnasol, mae'r datganiadau ariannol:

- yn rhoi darlun gwir a theg o sefyllfa ariannol Awdurdod Parc Cenedlaethol Arfordir Penfro ar 31 Mawrth 2025, ac o'i incwm a'i wariant am y flwyddyn a ddaeth i ben bryd hynny;
- wedi'u paratoi'n briodol yn unol â gofynion deddfwriaethol a safonau cyfrifyddu rhyngwladol a fabwysiadwyd gan y DU fel y'u dehonglwyd ac y'u haddaswyd gan y Cod Ymarfer ar Gyfrifyddu Awdurdodau Lleol yn y Deyrnas Unedig 2025.

Sail y farn

Cynhaliais fy archwiliad yn unol â'r gyfraith berthnasol a'r Safonau Rhyngwladol ar Archwilio yn y DU (ISAs (DU)) a Nodyn Ymarfer 10

'Archwiliad o Ddatganiadau Ariannol Endidau'r Sector Cyhoeddus yn y Deyrnas Unedig'. Disgrifir fy nghyfrifoldebau o dan y safonau hynny ymhellach yn adran cyfrifoldebau'r archwilydd ar gyfer archwilio'r datganiadau ariannol yn fy adroddiad.

Mae fy staff a minnau'n annibynnol ar Awdurdod Parc Cenedlaethol Arfordir Penfro yn unol â'r gofynion moesegol sy'n berthnasol i'm harchwiliad o'r datganiadau ariannol yn y DU gan gynnwys Safon Foesegol y Cyngor Adrodd Ariannol, ac rwyf wedi cyflawni fy nghyfrifoldebau moesegol eraill yn unol â'r gofynion hyn. Credaf fod y dystiolaeth archwilio a gefais yn ddigonol ac yn briodol i ddarparu sail ar gyfer fy marn.

Casgliadau sy'n ymwneud â busnes gweithredol

Wrth archwilio'r datganiadau ariannol, rwyf wedi dod i'r casgliad bod defnyddio sail cyfrifyddu busnes gweithredol wrth baratoi'r datganiadau ariannol yn briodol.

Yn seiliedig ar y gwaith rwyf wedi'i wneud, nid wyf wedi nodi unrhyw ansicrwydd perthnasol yn ymwneud â digwyddiadau neu amodau a allai, yn unigol neu ar y cyd, fwrw amheuaeth sylweddol ar allu Awdurdod Parc Cenedlaethol Arfordir Penfro i barhau i fabwysiadu sail cyfrifyddu busnes gweithredol am gyfnod o leiaf 12 mis o'r adeg y caiff y datganiadau ariannol eu hawdurdodi i'w cyhoeddi.

Disgrifir fy nghyfrifoldebau a chyfrifoldebau'r swyddog ariannol cyfrifol mewn perthynas â busnes gweithredol yn yr adrannau perthnasol o'r adroddiad hwn.

Gwybodaeth arall

Mae'r wybodaeth arall yn cynnwys y wybodaeth sydd wedi'i chynnwys yn yr adroddiad blynyddol heblaw am y datganiadau ariannol ac adroddiad fy archwilydd arnynt. Y Swyddog Ariannol Cyfrifol sy'n gyfrifol am y wybodaeth arall sydd wedi'i chynnwys yn yr adroddiad blynyddol. Nid yw fy marn ar y datganiadau ariannol yn cwmpasu'r wybodaeth arall ac, ac eithrio i'r graddau y nodir yn wahanol yn fy adroddiad, nid wyf yn mynegi unrhyw fath o gasgliad sicrwydd arni.

Fy nghyfrifoldeb i yw darllen y wybodaeth arall ac, wrth wneud hynny, ystyried a yw'r wybodaeth arall yn anghyson yn sylweddol â'r datganiadau ariannol neu'r wybodaeth a gafwyd yn ystod yr archwiliad, neu a yw'n ymddangos ei bod wedi'i cham-ddatgan yn sylweddol fel arall. Os byddaf

yn nodi anghysondebau perthnasol o'r fath neu gamddatganiadau perthnasol ymddangosiadol, mae'n ofynnol i mi benderfynu a yw hyn yn arwain at gamddatganiad perthnasol yn y datganiadau ariannol eu hunain. Os byddaf, yn seiliedig ar y gwaith rwyf wedi'i wneud, yn dod i'r casgliad bod camddatganiad perthnasol yn y wybodaeth arall hon, mae'n ofynnol i mi adrodd ar y ffaith honno.

Nid oes gennyf ddim i'w adrodd yn hyn o beth.

Barn ar faterion eraill

Yn fy marn i, yn seiliedig ar y gwaith a wnaed yn ystod fy archwiliad:

- mae'r wybodaeth sydd wedi'i chynnwys yn yr Adroddiad Naratif ar gyfer y flwyddyn ariannol y mae'r datganiadau ariannol wedi'u paratoi ar ei chyfer yn gyson â'r datganiadau ariannol, ac yn unol â'r Cod Ymarfer ar Gyfrifyddu Awdurdodau Lleol yn y Deyrnas Unedig 2025;
- mae'r wybodaeth a roddir yn y Datganiad Llywodraethu Blynyddol ar gyfer y flwyddyn ariannol y mae'r datganiadau ariannol wedi'u paratoi ar ei chyfer yn gyson â'r datganiadau ariannol ac yn unol â'r canllawiau.

Materion yr wyf yn adrodd arnynt drwy eithriad

Yng ngoleuni'r wybodaeth a'r ddealltwriaeth o Awdurdod Parc Cenedlaethol Arfordir Penfro a'i amgylchedd a gafwyd yn ystod yr archwiliad, nid wyf wedi nodi camddatganiadau perthnasol yn yr Adroddiad Naratif na'r Datganiad Llywodraethu Blynyddol.

Nid oes gennyf ddim i'w adrodd mewn perthynas â'r materion canlynol, yr wyf yn eu hadrodd i chi, os, yn fy marn i:

- Nid wyf wedi cael yr holl wybodaeth ac esboniadau sydd eu hangen arnaf ar gyfer fy archwiliad;
- nid oes cofnodion cyfrifyddu digonol wedi'u cadw, neu nid oes ffurflenni sy'n ddigonol ar gyfer fy archwiliad wedi'u cael o ganghennau nad ymwelwyd â nhw gan fy nhîm; neu
- nid yw'r datganiadau ariannol yn cytuno â'r cofnodion a'r ffurflenni cyfrifyddu.

Cyfrifoldebau'r swyddog ariannol cyfrifol am y datganiadau ariannol

Fel yr eglurir yn fanylach yn y Datganiad o Gyfrifoldebau ar gyfer y Datganiad o Gyfrifon mae'r swyddog ariannol cyfrifol yn gyfrifol am:

- paratoi'r datganiad cyfrifon, sy'n rhoi darlun gwir a theg, a chydymffurfio ag arferion priodol;
- cynnal cofnodion cyfrifyddu priodol;
- rheolaethau mewnol fel y mae'r swyddog ariannol cyfrifol yn penderfynu sy'n angenrheidiol er mwyn paratoi datganiadau cyfrifon sy'n rhydd o gamddatganiadau perthnasol, boed hynny oherwydd twyll neu wall;
- asesu gallu Awdurdod Parc Cenedlaethol Arfordir Penfro i barhau fel busnes gweithredol, gan ddatgelu, yn ôl y galw, faterion sy'n ymwneud â busnes gweithredol a defnyddio sail cyfrifyddu busnes gweithredol oni bai bod y swyddog ariannol cyfrifol yn rhagweld na fydd y gwasanaethau a ddarperir gan Awdurdod Parc Cenedlaethol Arfordir Penfro yn parhau i gael eu darparu yn y dyfodol.

Cyfrifoldebau'r archwilydd ar gyfer archwilio'r datganiadau ariannol

Fy nghyfrifoldeb i yw archwilio'r datganiadau ariannol yn unol â Deddf Archwilio Cyhoeddus (Cymru) 2004.

Fy amcanion yw cael sicrwydd rhesymol ynghylch a yw'r datganiadau ariannol yn gyfan gwbl yn rhydd o gamddatganiadau perthnasol, boed hynny oherwydd twyll neu wall, a chyhoeddi adroddiad archwilydd sy'n cynnwys fy marn i. Mae sicrwydd rhesymol yn lefel uchel o sicrwydd ond nid yw'n warrant y bydd archwiliad a gynhelir yn unol ag ISAs (DU) bob amser yn canfod camddatganiad perthnasol pan fydd yn bodoli. Gall camddatganiadau ddeillio o dwyll neu wall ac fe'u hystyrir yn berthnasol os gellid disgwyl yn rhesymol iddynt, yn unigol neu gyda'i gilydd, ddylanwadu ar benderfyniadau economaidd defnyddwyr a wneir ar sail y datganiadau ariannol hyn.

Mae anghysondebau, gan gynnwys twyll, yn enghreifftiau o beidio â chydymffurfio â deddfau a rheoliadau. Rwy'n dylunio gweithdrefnau yn unol â'm cyfrifoldebau, a amlinellwyd uchod, i ganfod camddatganiadau perthnasol mewn perthynas ag afreoleidd-dra, gan gynnwys twyll.

Roedd fy ngweithdrefnau'n cynnwys y canlynol:

- Ymholi rheolwyr, Archwiliad Mewnol yr Awdurdod a'r rhai sy'n gyfrifol am lywodraethu, gan gynnwys cael ac adolygu dogfennaeth ategol sy'n ymwneud â pholisïau a gweithdrefnau Awdurdod Parc Cenedlaethol Arfordir Penfro sy'n ymwneud â'r canlynol:
 - nodi, gwerthuso a chydymffurfio â chyfreithiau a rheoliadau ac a oeddent yn ymwybodol o unrhyw achosion o ddiffyg cydymffurfio;
 - canfod ac ymateb i risgiau twyll ac a oes ganddi wybodaeth am unrhyw dwyll gwirioneddol, twyll tybiedig neu dwyll honedig;
 - y rheolaethau mewnol a sefydlwyd i liniaru risgiau sy'n gysylltiedig â thwyll neu ddiffyg cydymffurfio â chyfreithiau a rheoliadau.
- Ystyried fel tîm archwilio sut a ble y gallai twyll ddigwydd yn y datganiadau ariannol ac unrhyw ddangosyddion posibl o dwyll. Fel rhan o'r drafodaeth hon, nodais botensial ar gyfer twyll yn y meysydd canlynol: gwrthwneud gan reolwyr a phostio cyfnodolion anarferol.
- Cael dealltwriaeth o fframwaith Awdurdod Parc Cenedlaethol Arfordir Penfro yn ogystal â fframweithiau cyfreithiol a rheoleiddiol eraill y mae Awdurdod Parc Cenedlaethol Arfordir Penfro yn gweithredu ynddynt, gan ganolbwyntio ar y cyfreithiau a'r rheoliadau hynny a gafodd effaith uniongyrchol ar y datganiadau ariannol neu a gafodd effaith sylfaenol ar weithrediadau Awdurdod Parc Cenedlaethol Arfordir Penfro.
- Cael dealltwriaeth o berthnasoddedd partïon perthynol.

Yn ogystal â'r uchod, roedd fy ngweithdrefnau i ymateb i risgiau a nodwyd yn cynnwys y canlynol:

- adolygu datgeliadau'r datganiadau ariannol a phrofi dogfennaeth ategol i asesu cydymffurfiaeth â'r deddfau a'r rheoliadau perthnasol a drafodwyd uchod;
- ymholi'r rheolwyr, y Pwyllgor Adolygu Archwilio a Gwasanaethau Corfforaethol a chynghorwyr cyfreithiol ynghylch ymglyfreitha a hawliadau gwirioneddol a phosibl;
- darllen cofnodion cyfarfodydd y rhai sy'n gyfrifol am lywodraethu a'r Awdurdod;

- wrth fynd i'r afael â'r risg o dwyll drwy reolaeth yn diystyru rheolaethau, profi priodoldeb cofnodion cyfnodolion ac addasiadau eraill; asesu a yw'r dyfarniadau a wneir wrth wneud amcangyfrifon cyfrifyddu yn dynodi rhagfarn bosibl; a gwerthuso rhesymeg fusnes unrhyw drafodion arwyddocaol sy'n anarferol neu y tu allan i gwrs arferol busnes.

Hefyd, cyfathrebais gyfreithiau a rheoliadau perthnasol a nodwyd a risgiau twyll posibl i holl aelodau'r tîm archwilio ac arhosais yn effro i unrhyw arwyddion o dwyll neu ddiffyg cydymffurfio â chyfreithiau a rheoliadau drwy gydol yr archwiliad.

Mae'r graddau y mae fy ngweithdrefnau'n gallu canfod anghysondebau, gan gynnwys twyll, yn cael eu heffeithio gan yr anhawster cynhenid o ganfod anghysondebau, effeithiolrwydd rheolaethau Awdurdod Parc Cenedlaethol Arfordir Penfro, a natur, amseriad a graddfa'r gweithdrefnau archwilio a gyflawnir.

Mae disgrifiad pellach o gyfrifoldebau'r archwilydd dros archwilio'r datganiadau ariannol i'w gael ar wefan y Cyngor Adrodd Ariannol www.frc.org.uk/auditorsresponsibilities. Mae'r disgrifiad hwn yn rhan o adroddiad fy archwilydd.

Cyfrifoldebau eraill yr archwilydd

Rwy'n cyfathrebu â'r rhai sy'n gyfrifol am lywodraethu ynghylch, ymhlith materion eraill, cwmpas ac amseriad arfaethedig yr archwiliad a chanfyddiadau archwilio arwyddocaol, gan gynnwys unrhyw ddiffygion arwyddocaol mewn rheolaeth fewnol a nodaf yn ystod fy archwiliad.

Tystysgrif cwblhau archwiliad

Rwy'n ardystio fy mod wedi cwblhau'r archwiliad o gyfrifon Awdurdod Parc Cenedlaethol Arfordir Penfro yn unol â gofynion Deddf Archwilio Cyhoeddus (Cymru) 2004 a Chod Ymarfer Archwilio Archwilydd Cyffredinol Cymru.

Adrian Crompton

Archwilydd Cyffredinol Cymru

13 Chwefror 2026

1 Cwr y Ddinas

Stryd Tyndall

Caerdydd

CF10 4BZ

Atodiad 4 – Llythyr cynrychiolaeth

Llythyr cynrychiolaeth terfynol

[Pennawd llythyr y corff archwiliedig]

Archwilydd Cyffredinol Cymru
Swyddfa Archwilio Cymru
1 Cwr y Ddinas
Stryd Tyndall
Caerdydd
CF10 4BZ

Dyddiad

Sylwadau ynghylch datganiadau ariannol 2024-25

Darperir y llythyr hwn mewn cysylltiad â'ch archwiliad o ddatganiadau ariannol Awdurdod Parc Cenedlaethol Arfordir Penfro ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2025 at ddiben mynegi barn ar eu gwirionedd a'u tegwch a'u paratoad priodol.

Rydym yn cadarnhau, hyd eithaf ein gwybodaeth a'n cred, ar ôl gwneud ymholiadau fel yr ydym yn eu hystyried yn ddigonol, y gallwn gyflwyno'r sylwadau canlynol i chi.

Sylwadau'r rheolwyr

Cyfrifoldebau

Rydym wedi cyflawni ein cyfrifoldebau ar gyfer:

- paratoi'r datganiadau ariannol yn unol â gofynion deddfwriaethol a'r Cod Ymarfer ar Gyfrifyddu Awdurdodau Lleol yn y Deyrnas Unedig 2025; yn benodol mae'r datganiadau ariannol yn rhoi darlun gwir a theg yn unol â hynny;
- dylunio, gweithredu, cynnal ac adolygu rheolaeth fewnol i atal a chanfod twyll a gwallau.

Gwybodaeth a ddarparwyd

Rydym wedi rhoi i chi:

- mynediad llawn i:
 - yr holl wybodaeth yr ydym yn ymwybodol ohoni sy'n berthnasol i baratoi'r datganiadau ariannol megis llyfrau cyfrifon a dogfennaeth ategol, cofnodion cyfarfodydd a materion eraill;
 - gwybodaeth ychwanegol yr ydych wedi gofyn amdani gennym at ddiben yr archwiliad;
 - mynediad anghyfyngedig at staff y gwnaethoch benderfynu ei bod yn angenrheidiol cael tystiolaeth archwilio ganddynt;
- canlyniadau ein hasesiad o'r risg y gallai'r datganiadau ariannol fod wedi'u cam-ddatgan yn sylweddol o ganlyniad i dwyll;
- ein gwybodaeth am dwyll neu dwyll tybiedig yr ydym yn ymwybodol ohono ac sy'n effeithio ar Awdurdod Parc Cenedlaethol Arfordir Penfro ac sy'n cynnwys:
 - rheolwyr;
 - gweithwyr sydd â rolau arwyddocaol mewn rheolaeth fewnol; neu
 - eraill lle gallai'r twyll gael effaith sylweddol ar y datganiadau ariannol;
- ein gwybodaeth am unrhyw honiadau o dwyll, neu dwyll tybiedig, sy'n effeithio ar y datganiadau ariannol a gyfathrebwyd gan weithwyr, cynweithwyr, rheoleiddwyr neu eraill;
- ein gwybodaeth am bob achos hysbys o ddiffyg cydymffurfio neu ddiffyg cydymffurfio tybiedig â chyfreithiau a rheoliadau y dylid ystyried eu heffeithiau wrth baratoi'r datganiadau ariannol;
- hunaniaeth yr holl bartïon perthynol a'r holl berthnasoedd a thrafodion partïon perthynol yr ydym yn ymwybodol ohonynt;
- ein gwybodaeth am bob achos posibl a gwirioneddol o drafodion afreolaidd.

Sylwadau datganiadau ariannol

Mae'r holl drafodion, asedau a rhwymedigaethau wedi'u cofnodi yn y cofnodion cyfrifyddu ac fe'u hadlewyrchir yn y datganiadau ariannol.

Mae'r dulliau, y data, a'r rhagdybiaethau arwyddocaol a ddefnyddir wrth wneud amcangyfrifon cyfrifyddu, a'u datgeliadau cysylltiedig, yn briodol i gyflawni cydnabyddiaeth, mesuriad neu ddatgeliad sy'n rhesymol yng nghyd-destun y fframwaith adrodd ariannol perthnasol.

Mae perthnasoedd a thrafodion partïon cysylltiedig wedi cael eu cyfrif a'u datgelu'n briodol.

Mae pob digwyddiad ar ôl y dyddiad adrodd sy'n gofyn am addasiad neu ddatgeliad wedi'i addasu neu ei ddatgelu.

Mae pob ymglyfreitha a hawliad gwirioneddol neu bosibl hysbys y dylid ystyried eu heffeithiau wrth baratoi'r datganiadau ariannol wedi'u datgelu i'r archwilydd, wedi'u cyfrif amdanynt, a'u datgelu yn unol â'r fframwaith adrodd ariannol perthnasol.

Mae'r datganiadau ariannol yn rhydd o gamddatganiadau perthnasol, gan gynnwys hepgoriadau. Nid oes unrhyw gamddatganiadau nas cywirwyd yn y datganiadau ariannol.

Sylwadau gan y rhai sy'n gyfrifol am lywodraethu

Rydym yn cydnabod bod y sylwadau uchod a wnaed gan y rheolwyr wedi cael eu trafod gyda ni.

Rydym yn cydnabod ein cyfrifoldeb dros sicrhau bod y cwmni'n cynnal cofnodion cyfrifyddu digonol.

Rydym yn cydnabod ein cyfrifoldeb am baratoi datganiadau ariannol gwir a theg yn unol â'r fframwaith adrodd ariannol perthnasol. Cymeradwywyd y datganiadau ariannol gan Awdurdod y Parc Cenedlaethol ar 11 Chwefror 2026.

Rydym yn cadarnhau ein bod wedi cymryd pob cam angenrheidiol i wneud ein hunain yn ymwybodol o unrhyw wybodaeth archwilio berthnasol ac i sicrhau ei bod wedi'i chyfleu i chi. Rydym yn cadarnhau, hyd y gwyddom, nad oes unrhyw wybodaeth archwilio berthnasol nad ydych yn ymwybodol ohoni.

Llofnodwyd gan:

Swyddog S151

Dyddiad:

Llofnodwyd gan:

Cadeirydd yr Awdurdod Parc
Cenedlaethol

Dyddiad:

Ansawdd archwilio

Mae ein hymrwymiad i ansawdd archwilio yn Archwilio Cymru yn absoliwt. Credwn fod ansawdd archwilio yn ymwneud â gwneud pethau'n iawn y tro cyntaf.

Rydym yn defnyddio model tair llinell o sicrwydd i ddangos sut rydym yn cyflawni hyn. Rydym wedi sefydlu Pwyllgor Ansawdd Archwilio i gydlynu a goruchwyllo'r trefniadau hynny. Rydym yn craffu'n annibynnol ar ein gwaith gan Sefydliad Cyfrifwyr Siartredig Cymru a Lloegr, ac mae Cadeirydd y Bwrdd yn gweithredu fel cyswllt â'n Bwrdd ar ansawdd archwilio. I gael rhagor o wybodaeth gweler ein [Hadroddiad Ansawdd Archwilio 2024](#).



Ein Pobl

- Dewis y tîm cywir
- Defnyddio arbenigwyr
- Goruchwyliaeth ac adolygu



Trefniadau ar gyfer sicrhau ansawdd archwilio Dewis y tîm cywir

- Platform archwilio
- Moeseg
- Canllawiau
- Diwylliant
- Dysgu a datblygu
- Arweinyddiaeth
- Cymorth technelogol



Sicrwydd annibynnol

- Adolygiadau Ansawdd Allanol
- Adolygiadau â thema
- Adolygiadau oer
- Dadansoddiad o wraidd y problem
- Adolygiad gan gymheiriaid
- Pwyllgor Ansawdd Archwilio
- Monitro allanol

Eich cefnogi chi

Mae gan Archwilio Cymru amrywiaeth o adnoddau i gefnogi gwaith craffu ar gyrrff cyhoeddus yng Nghymru, ac i'w cefnogi i barhau i wella'r gwasanaethau mae'n eu darparu i bobl yng Nghymru.

Ewch i'n gwefan i weld:



Ein cyhoeddiadau sy'n ymdrin â'n gwaith archwilio mewn cyrrff cyhoeddus.



Gwybodaeth am ein gwaith sydd ar ddod a'n rhaglen waith ar gyfer archwilio perfformiad.



Offer data i'ch helpu i ddeall tueddiadau gwariant cyhoeddus yn well.



Manylion ein gwaith a digwyddiadau Arfer Da gan gynnwys rhannu arferion sy'n dod i'r amlwg a mewnwelediadau o'n gwaith archwilio.



Ein cylchlythyr sy'n rhoi'r wybodaeth ddiweddaraf i chi'n rheolaidd am ein gwaith archwilio gwasanaethau cyhoeddus, arfer da, a digwyddiadau.



Archwilio Cymru

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

We welcome correspondence and telephone calls in Welsh and English.



Audit of Accounts Report – Pembrokeshire Coast National Park Authority

Audit year: 2024-25

Date issued: January 2026



Contents

Contents	2
Introduction	4
Your audit at a glance	5
Materiality	6
Audit Findings	7
Audit team and ethical compliance	10
Appendix 1 – Audit risks and outcomes	11
Appendix 2 – Summary of corrections made	18
Appendix 3 – Proposed audit report	29
Appendix 4 – Letter of representation	35
Audit quality	39
Supporting you	40

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

The Auditor General, Wales Audit Office and staff of the Wales Audit Office accept no liability in respect of any reliance or other use of this document by any member, director, officer or other employee in their individual capacity, or any use by any third party.

For further information, or if you require any of our publications in an alternative format and/or language, please contact us by telephone on 029 2032 0500, or email info@audit.wales.

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

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

Introduction



Adrian Crompton

Auditor General for
Wales

I am pleased to share my Audit of Accounts Report. The Report summarises the main findings from my audit of your 2024-25 accounts. My team have already discussed these findings with the Head of Finance.

My team have substantially completed the audit work as set out in my Audit Plan dated April 2025, subject to completing final review and closure processes.

Since my Audit Plan, I have updated materiality to reflect the 2024-25 accounts. My response to previously identified audit risks is set out in **Appendix 1**.

I am required to provide an opinion on whether the accounts have been properly prepared and give a true and fair view, in all material aspects. My proposed audit opinion and basis for it is outlined in **Appendix 3**.

It is the responsibility of those charged with governance to address any matters raised in my report and provide me with a Letter of Representation.

I would like to extend my gratitude to the officers and staff of Pembrokeshire Coast National Park Authority (the Authority) for their cooperation throughout the audit process which has been invaluable in completing this audit effectively.

Your audit at a glance



We intend to issue an **unqualified opinion** on the accounts.

See [Appendix 3](#)



There is **one significant matter** to report and there is one area for **further consideration**.

See [Audit findings](#)

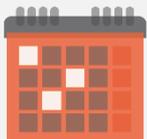


There are **no uncorrected misstatements** in the accounts.

See [Audit findings](#)



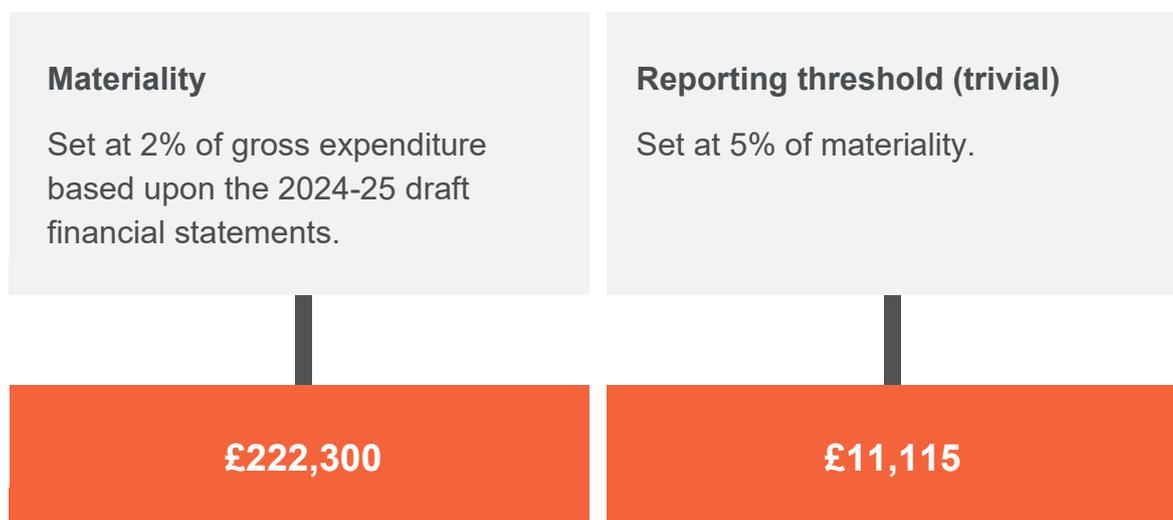
The draft accounts were received on **7 August 2025**, which is after the deadline of **30 June 2025**.



We aim to certify your accounts on **13 February 2026**, which is after the deadline of **31 October 2025**.

Materiality

I use professional judgement to set a materiality threshold to identify and correct misstatements that could affect users' decisions, considering both financial errors and disclosure requirements according to the applicable accounting framework and laws. My team updates materiality throughout the audit and I include in this report matters that exceed my reporting threshold, as set out below:



There are some areas of the accounts that may be of more importance to the user of the accounts. We confirm lower materiality levels for these:



Audit Findings

Misstatements

There were some misstatements identified in the accounts.

Uncorrected misstatements

There are no misstatements identified in the accounts, which remain uncorrected.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 2**.

Other significant issues

International Standard on Auditing 260 requires us to communicate with those charged with governance. We must tell you significant findings from the audit and other matters if they are significant to your oversight of the Authority's financial reporting process.

There is one significant matter to report to you.

Underlying errors within the Revaluation Reserve balance

Audit testing identified a number of errors within the Revaluation Reserve (Note 30) and amendments were made to the financial statements as a result of this (see **Appendix 2**).

The balance on the Revaluation Reserve should equal the Net Current Value of Property, Plant and Equipment minus the Net Historical Value of Property Plant and Equipment. This is not the case within the Authority's financial statements, which suggests some incorrect entries which could date back a number of years. Whilst some of these errors have been identified and amended for following the audit work this year (£1,509,912 amendment in **Appendix 2**), there remains a difference of £27,189.

Whilst this difference is not material (and so we are able to issue an unqualified audit opinion), it is over the trivial level of £11,115, requiring us to report this to you.

We recommend that the Authority review and correct this error in 2025-26.

Proposed audit opinion

Audit opinion

We intend to issue an unqualified true and fair opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 3**.

Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is required by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 4**.

Further considerations

We will continue to work with Pembrokeshire Coast National Park Authority and the wider sector to review our ambition to bring forward the audit deadline to September 2026, as part of the 2025-26 accounts and audit process.

In order to meet these deadlines, it will be imperative that the accounts and the annual governance statement are received on time, are of a high quality and are fully supported, with all working papers available and quality assessed. Staff will also need to be available throughout the audit window to ensure audit queries are resolved in a timely manner.

The draft financial statements were received on 7 August 2025, which was after the deadline of 30 June 2025 this year and, as a result, in line with agreement in the Local Government sector, the Authority's accounts were not prioritised for audit by the agreed deadline of 31 October 2025. With the accounts production and audit window reducing next year, achieving

these revised accounts and audit deadlines for 2025-26 will become more challenging still.

We have not raised a recommendation in respect of this issue. We will discuss it as part of our audit post project learning with officers, to assess the position and work with officers to help achieve the earlier deadlines.

We would like to thank officers for their positive engagement with the audit team throughout this year's audit.

Audit team and ethical compliance

The main members of my team who carried out the audit work, together with their contact details, are summarised in **Exhibit 1**.

Exhibit 1: my local audit team

Audit Director Gareth Lucey
gareth.lucey@audit.wales

Audit Manager Jason Blewitt
jason.blewitt@audit.wales

Audit Lead Isabel Hammond
isabel.hammond@audit.wales

Compliance with ethical standards

We confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

Appendix 1 – Audit risks and outcomes

Exhibit 2 lists the audit risks included within my Audit Plan and sets out how they were addressed as part of the audit.

Exhibit 2: audit risks reported previously, work done and outcome

Audit risk	Work done	Outcome
<p>Risk of management override</p> <p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk.</p>	<p>The audit team:</p> <ul style="list-style-type: none">• tested the appropriateness of journal entries and other adjustments made in preparing the financial statements;• reviewed accounting estimates for bias; and• evaluated the rationale for any significant transactions outside the normal course of business.	<p>Audit work did not identify any instances of management override of controls.</p>

Audit risk	Work done	Outcome
<p>Valuation of pension fund net liability/surplus</p> <p>The Local Government Pension scheme (LGPS) pension fund liability as reflected in the financial statements is a material estimate.</p> <p>The nature of this estimate means that it is subject to a high degree of estimation uncertainty as it is sensitive to small adjustments in the assumptions used in its calculation.</p> <p>The impact of economic conditions, particularly interest rate levels, has a significant impact on the liability (at 31 March 2024, for example, the liability was in fact a surplus, primarily due to higher interest rates).</p> <p>There are also several legal cases potentially impacting on the valuation of the net liability.</p> <p>There is a risk therefore that the liability/surplus is materially misstated.</p>	<p>My audit team:</p> <ul style="list-style-type: none"> • evaluated the instructions issued by management to their management experts (actuary) for this estimate and the scope of the actuary’s work; • assessed the competence, capabilities and objectivity of the actuary who carried out the valuations; • assessed the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability; • tested the accuracy of the pension fund net liability and disclosures in the financial statements with the actuarial report from the actuary; • assessed the reasonableness of the assumptions made by the actuary by reviewing the report of the consulting actuary (auditor’s expert) and undertaking any 	<p>Audit work did not identify any significant issues.</p>

Audit risk	Work done	Outcome
	<p>additional procedures required; and</p> <ul style="list-style-type: none"> assessed whether any legal cases could have a material impact on the net liability, and if so, confirmed that this was appropriately recognised and disclosed within the financial statements. 	
<p>Valuation of Land and Buildings</p> <p>The value of land and buildings reflected in the balance sheet and notes to the accounts are material estimates.</p> <p>Land and buildings are required to be held on a valuation basis which is dependent on the nature and use of the assets. This estimate is subject to a high degree of subjectivity, depending on the specialist and management assumptions, and changes in these can result in material changes to valuations.</p> <p>Assets are required to be revalued every five years, but values may also</p>	<p>My audit team:</p> <ul style="list-style-type: none"> reviewed the information provided to the valuer to assess for completeness; evaluated the competence, capabilities and objectivity of the professional valuer; tested a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process were reasonable, and the revaluations were correctly reflected in the financial statements; 	<p>Audit work did not identify any material issues but some amendments were made (see Appendix 2) and we have also reported issues regarding the Revaluation Reserve balance within this report.</p>

Audit risk	Work done	Outcome
<p>change year on year, and there is a risk that the carrying value of assets recognised in the accounts could be materially different to the current value of assets as at 31 March 2025, particularly in the current economic environment.</p>	<ul style="list-style-type: none"> • tested the reconciliation between the financial ledger, supporting asset systems and the asset register. 	
<p>Senior Officer Remuneration</p> <p>Even though there are no significant changes in senior officers for 2024-25, remuneration paid to senior officers continues to be of high interest and is material by nature. Therefore, there is a risk that even low value errors in the disclosure could result in a material misstatement.</p>	<p>My audit team:</p> <ul style="list-style-type: none"> • understood the movements in the senior management team during 2024-25; • ensured that remuneration disclosed was consistent with supporting evidence; • ensured that amounts paid were consistent with those approved by the Authority; and • ensured that disclosures were complete based on the team’s knowledge and were prepared in accordance with requirements. 	<p>We reviewed the Remuneration disclosures and did not identify any significant issues.</p>
<p>Implementation of International Accounting Standard (IFRS) 16 – Leases</p>	<p>My audit team:</p> <ul style="list-style-type: none"> • reviewed the Authority’s working 	<p>Audit work did not identify any significant issues.</p>

Audit risk	Work done	Outcome
<p>Local Government bodies are required to adopt IFRS16 Leases from 1 April 2024.</p> <p>This significantly changes the accounting treatment and disclosures required for leased assets and means that most leases will result in an asset and liability on balance sheets. There is a risk that the requirements of the IFRS are not appropriately adopted and as a result the financial statements are materially misstated.</p>	<p>papers to ensure that all leases falling within the scope of the Standard were included in calculations;</p> <ul style="list-style-type: none"> • tested a sample of asset and liability calculations to ensure that the assumptions were reasonable, and the calculations had been correctly prepared; and • confirmed that asset and liability values were correctly accounted for and disclosed in the financial statements. 	
<p>Related party disclosures</p> <p>The financial statements must disclose any related party relationships along with the transactions and balances between the Authority and the other body/party.</p> <p>The Authority has many relationships that could be considered a related party. Many are well known for example, the Welsh Government as funder.</p>	<p>My audit team:</p> <ul style="list-style-type: none"> • reviewed the Authority’s process for identifying related party relationships and associated transactions and balances; • undertook procedures to confirm the completeness of related party relationships; and • ensured disclosures were complete, 	<p>Audit work did not identify any significant issues.</p>

Audit risk	Work done	Outcome
<p>However, where related party relationships arise via individual officer or member relationships, there is likely to be less transparency regarding these relationships. These transactions are of high interest and are considered to be material by their nature</p> <p>There is a risk of material misstatement due to incomplete or inaccurate disclosures, even where these are of relatively low value.</p>	<p>accurate, consistent with evidence and were in accordance with the Local Government Code.</p>	
<p>Accounts Preparation</p> <p>During the last two audit years, we have reported to you that the arrangements to ensure quality assurance of the draft accounts and working papers submitted for audit need strengthening. During the 2023-24 audit, the Authority was charged an additional audit fee, as a result of the errors identified during the audit and the additional audit work required.</p> <p>There is a risk that the quality of the accounts and</p>	<p>My audit team discussed and reviewed the closedown process and the quality assurance arrangements for the accounts preparation and sought to help to identify areas where there were gaps in the arrangements.</p>	<p>Audit work identified fewer errors in the draft accounts and working papers than in previous years, which suggests that some improvements are being made. There are still a number of amendments needed as shown in Appendix 2, which suggests that further improvements can be made to quality assurance arrangements.</p>

Audit risk

Work done

Outcome

supporting working papers is not of an appropriate standard, leading to an increased incidence of errors.

Appendix 2 – Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Accounts area	Explanation
Disclosure Only (No overall effect on the financial statements)	<p>Expenditure and Income analysed by activity (Note 6)</p> <p>Audit testing identified £1,411,770 included within the 'Fees, charges and services income' line of Note 6 relating to specific services grant income received that should have been included within the 'Government grants and contributions' line.</p> <p>The narrative disclosure within the financial statements was updated to reflect the nature of income received.</p> <p>As this is a disclosure note, there was no overall effect on the financial statements.</p>	To ensure accuracy of the financial statements.
£225,000	<p>Balance Sheet and Property Plant & Equipment (Note 17)</p>	To ensure compliance with the Local Government Code.

Value of correction	Accounts area	Explanation
	<p>Audit testing identified an asset which had been revalued incorrectly in line with the requirements of the Local Government Code.</p> <p>The asset was subsequently revalued using the correct basis resulting in a decrease to the value of Operational Land and Buildings in Note 17 of £225,000.</p>	
<p>£1,509,912 (No overall effect on the financial statements)</p>	<p>Revaluation Reserve (Note 30)</p> <p>Audit testing identified that the balance on the Revaluation Reserve did not equal Net Current Value of Property, Plant and Equipment minus Net Historical Value of Property Plant and Equipment for a number of assets.</p> <p>As a result, the Historical Cost balance was amended by £1,509,912.</p> <p>There was no overall effect on the financial statements as a result of this amendment.</p>	<p>To ensure accuracy of the financial statements and compliance with accounting standards/Code.</p>

Value of correction	Accounts area	Explanation
£171,000	<p>Comprehensive Income and Expenditure Statement (CIES) and Revaluation Reserve (Note 30)</p> <p>Audit testing identified that the values included for the ‘Increase in value of assets’ and ‘Decrease in value of assets’ lines within the Revaluation Reserve were incorrect and did not reflect the correct movements in asset values. In addition, the financial statements did not reflect what should have been correctly charged against the CIES and Revaluation Reserve for revaluation movements (and resulted in some assets within the Revaluation Reserve incorrectly showing negative balances).</p> <p>As a result, Note 30 and the CIES were amended by £171,000 to -£440,000.</p>	<p>To ensure accuracy of the financial statements and compliance with accounting standards/Code.</p>
£54,000	<p>Cash Flow Statement and Cashflow statement – net cashflows from operating activities (Note 31) and</p>	<p>To ensure accuracy of the financial statements.</p>

Value of correction	Accounts area	Explanation
	<p>Cashflow statement – net cashflows from investing activities (Note 32)</p> <p>Note 31 incorrectly excluded revaluations of Property, Plant and Equipment of £54,000.</p> <p>The increase in investments during the year of £181,000 had been incorrectly included within Note 31, rather than the proceeds from investments of £181,000 relating to interest received being included in Note 32.</p>	
<p>£130,000 (No overall effect on the financial statements)</p>	<p>Creditors (Note 27)</p> <p>Audit testing identified £130,000 of Receipts in Advance had been incorrectly included within Other Payables. The financial statements were amended to correct for this. There was no overall effect on the Creditors total.</p>	<p>To ensure accuracy of the financial statements.</p>
<p>£58,000 (No overall effect on the financial statements)</p>	<p>Related Party Transactions (Note 35)</p> <p>Welsh Government Income within Note 35 was amended from £6,118,000</p>	<p>To ensure accuracy of the financial statements.</p>

Value of correction	Accounts area	Explanation
		to £6,176,000, to ensure that it agreed to the actual amount received. As this is a disclosure note, there was no overall effect on the financial statements.
£43,000 (No overall effect on the financial statements)	Debtors (Note 25) Audit testing identified £43,000 of Grants Receivable had been incorrectly included within Trade Receivables. The financial statements were amended to correct for this and there was no overall effect on the Debtors total.	To ensure accuracy of the financial statements.
£32,000	Comprehensive Income and Expenditure Statement (CIES) and Debtors (Note 25) Audit testing identified £32,000 of income due to the Authority that had been omitted. The financial statements were amended to include this within Debtors and Income.	To ensure accuracy of the financial statements.
£31,000 (No overall effect on the financial statements)	Balance Sheet The Pension Fund Liability of £31,000 had been incorrectly included within	To ensure accuracy of the financial statements.

Value of correction	Accounts area	Explanation
£17,303	<p>Assets rather than Liabilities within the Balance Sheet.</p> <p>The financial statements were amended to correct for this with no overall effect on the totals.</p> <p>Comprehensive Income and Expenditure Statement, Balance Sheet, Audit Fees (Note 16) and Creditors (Note 27)</p>	<p>To ensure accuracy of the financial statements.</p>
	<p>Audit testing identified that the Performance Audit Fees of £17,303 had not been accrued for in the financial statements.</p> <p>The financial statements were amended to include this within Expenditure, Creditors and the Audit Fees note.</p> <p>Note 16 Audit Fees narrative was also updated to reflect the correct description as Financial Audit and Performance Audit work rather than ‘Fees payable to the Wales Audit Office with regard to external audit services carried out by the appointed auditor’ and ‘Fees payable to the</p>	

Value of correction	Accounts area	Explanation
	Auditor General for Wales in respect of statutory inspections and the LG Measure 2011’.	
£18,303	<p>Comprehensive Income and Expenditure Statement (CIES) and Creditors (Note 27)</p> <p>Testing of the Holiday Accrual within Creditors identified some errors in the calculation which resulted in an understatement of £18,303. The financial statements were amended to increase Creditors (Note 27) and expenditure by this amount.</p>	To ensure accuracy of the financial statements.
Various	<p>Capital Adjustment Account (Note 30)</p> <p>Audit testing identified the following errors:</p> <ul style="list-style-type: none"> • the ‘Revaluation of Property Plant & Equipment’ line in Note 30 was incorrect and should be -£54,000 rather than £14,000; • the ‘Transfer of investment assets to operational land & buildings’ line was 	To ensure accuracy of the financial statements.

Value of correction	Accounts area	Explanation
	<p>also incorrect and should be £0 rather than £5,000;</p> <ul style="list-style-type: none"> the 'Capital grants and contributions credited to the CIES that have been applied to capital financing' line was incorrect and should be £47,000 rather than £152,000. <p>The financial statements were amended to correct for these.</p>	
£11,976	<p>Creditors (Note 27)</p> <p>Audit testing identified an invoice for £11,976 that had been incorrectly included within Creditors, as it was for works received and paid for post year-end. The financial statements were amended to remove this from Creditors.</p>	To ensure accuracy of the financial statements.
<p>£8,000 (No overall effect on the financial statements)</p>	<p>Senior Officer Remuneration (Note 13)</p> <p>Audit testing identified that the Director (Nature Recovery & Tourism) Employer Pension Contributions should be £8,000 not £7,000.</p>	To ensure accuracy of the financial statements.

Value of correction	Accounts area	Explanation
	<p>In addition, the note was amended to include the remuneration for the s151 Officer of £7,000.</p> <p>As this is a disclosure note, there was no overall effect on the financial statements.</p>	
<p>Various (No overall effect on the primary statements)</p>	<p>A number of other minor amendments were made to the financial statements relating to either revisions to disclosures of information, narrative changes or typing errors.</p>	<p>To ensure accuracy of the financial statements.</p>
<p>£340,078 (No effect on the primary statements)</p>	<p>Capital Commitments (Note 21)</p> <p>Audit testing identified that capital commitments included items where no contract existed at year-end or commitments incorrectly calculated at year-end. Total capital commitments should be £710,921 not £1,050,999. The financial statements were amended for this. As this is a disclosure note, there was no overall effect on the financial statements.</p>	<p>To ensure accuracy of the financial statements.</p>

Value of correction	Accounts area	Explanation
<p>£28,000 (No overall effect on the primary statements)</p>	<p>Adjustments between Accounting and Funding Basis (Note 5) Audit testing identified that the 'Other I&E' pensions figure in Note 5 should be £313,000 not £336,000.</p>	<p>To ensure accuracy of the financial statements.</p>
<p>£46,163 and £200,199 (No overall effect on the primary statements)</p>	<p>Lease and Lease Type Arrangements (Note 22) Audit testing identified that the incorrect lease length and rent charge had been used for three leases when calculating the maturity analysis. The lessee analysis has been understated by £46,163 and lessor analysis has been overstated by £200,199. The financial statements were amended to correct for these.</p>	<p>To ensure accuracy of the financial statements.</p>
<p>£27,690 (No overall effect on the primary statements)</p>	<p>Lease and Lease Type Arrangements (Note 22) Audit testing identified the maturity analysis for right of use assets had incorrectly omitted one right of use asset. As a result, the lease liabilities for right of use assets analysis was understated</p>	<p>To ensure accuracy of the financial statements.</p>

Value of correction	Accounts area	Explanation
		by £27,690 with a corresponding overstatement on the maturity analysis of other lease liabilities. The financial statements were amended to correct for this.

Appendix 3 – Proposed audit report

Proposed audit report

The independent auditor’s report of the Auditor General for Wales to the members of Pembrokeshire Coast National Park Authority

Opinion on financial statements

I have audited the financial statements of Pembrokeshire Coast National Park Authority for the year ended 31 March 2025 under the Public Audit (Wales) Act 2004.

Pembrokeshire Coast 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 2025.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Pembrokeshire Coast National Park Authority as at 31 March 2025 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 2025.

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.

My staff and I are independent of Pembrokeshire Coast 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 Pembrokeshire Coast National Park Authority's ability to continue to adopt the going concern basis of accounting for a period of at least 12 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.

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 is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

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

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

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

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls 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; and
- assessing Pembrokeshire Coast National Park Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by Pembrokeshire Coast National Park Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

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 Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Pembrokeshire Coast National Park Authority'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: management override and the posting of unusual journals.
- Obtaining an understanding of Pembrokeshire Coast National Park Authority's framework of authority as well as other legal and regulatory frameworks that Pembrokeshire Coast National Park 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 Pembrokeshire Coast National Park Authority.
- Obtaining an understanding of related party relationships.

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 Audit and Corporate Services Review Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Authority; and

- 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 Pembrokeshire Coast National Park 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. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Pembrokeshire Coast 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 February 2026

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Appendix 4 – Letter of representation

Final letter of representation

[Audited body's letterhead]

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Date

Representations regarding the 2024-25 financial statements

This letter is provided in connection with your audit of the financial statements of Pembrokeshire Coast National Park Authority for the year ended 31 March 2025 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

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

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2025; in particular the financial statements give a true and fair view in accordance therewith; and

- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

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

Financial statement representations

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

The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

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

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

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor, accounted for, and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no uncorrected misstatements in the financial statements.

Representations by those charged with governance

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

We acknowledge our responsibility for ensuring that the company maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the National Park Authority on 11 February 2026.

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

Signed by:
S151 Officer

Date:

Signed by:
Chair of the National Park
Authority

Date:

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2024](#).



Our People

- Selection of right team
- Use of specialists
- Supervisions and review



Arrangements for achieving audit quality

Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



Independent assurance

- EQRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

Supporting you

Audit Wales has a range of resources to support the scrutiny of Welsh public bodies, and to support them in continuing to improve the services they provide to the people of Wales.

Visit our [website](#) to find:



Our [publications](#) which cover our audit work at public bodies.



Information on our upcoming work and forward work programme for [performance audit](#).



[Data tools](#) to help you better understand public spending trends.



Details of our [Good Practice](#) work and events including the sharing of emerging practice and insights from our audit work.



Our [newsletter](#) which provides you with regular updates on our public service audit work, good practice, and events.



Audit Wales

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



**Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ**

15 February 2026

Dear Sirs,

Representations regarding the 2024-25 financial statements

This letter is provided in connection with your audit of the financial statements of Pembrokeshire Coast National Park Authority for the year ended 31 March 2025 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

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

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2025; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;



**Awdurdod
Parc Cenedlaethol
Arfordir Penfro**
Parc Llanion, Doc Penfro
Sir Benfro SA72 6DY

**Pembrokeshire Coast
National Park
Authority**

Llanion Park, Pembroke Dock
Pembrokeshire SA72 6DY

Ffôn/Tel:
01646 624800

Ffacs/Fax:
01646 689076

pcap@arfordirpenfro.org.uk
pcnp@pembrokeshirecoast.org.uk

www.arfordirpenfro.org.uk
www.pembrokeshirecoast.org.uk



*Yn hapus i gyfathrebu yn
Cymraeg neu yn Saesneg
Happy to communicate
in Welsh or English*

- our knowledge of fraud or suspected fraud that we are aware of and that affects Pembrokeshire Coast National Park Authority and involves: management; employees who have significant roles in internal control; or others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware; and
- our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

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

The methods, the data, and the significant assumptions used in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

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

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

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor, accounted for, and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no uncorrected misstatements in the financial statements.

Representations by those charged with governance

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

We acknowledge our responsibility for ensuring that the company maintains adequate accounting records.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the National Park Authority on 11 February 2026.

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

Signed by:
S151 Officer

Date:

Signed by:
Chair of the National Park
Authority

Date:



**Parc Cenedlaethol
Arfordir Penfro**

**Pembrokeshire Coast
National Park**

**ANNUAL NARRATIVE REPORT
AND UNAUDITED STATEMENT
OF ACCOUNTS FOR THE YEAR
ENDING 31 MARCH 2025**

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Contents

Annual Narrative Report.....	3
Statement of Responsibilities for the Financial Statements	13
The independent auditor’s report of the Auditor General for Wales to the members of Pembrokeshire Coast National Park Authority	13
Comprehensive Income and Expenditure Statement.....	19
Balance Sheet.....	20
Movement in Reserves Statement for the year ending 31 March 2025	21
Movement in Reserves Statement for the year ending 31 March 2024	22
Cashflow Statement.....	23
Statement of Accounting Policies	24
Notes to the Accounts.....	33

Annual Narrative Report

Introduction

The purpose of the narrative report is to provide information on the authority, its main objectives and strategies and the principal risks it faces. The 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 18 to 64 which consist of: -

- The Comprehensive Income and Expenditure Statement which consolidates all the gains and losses of the Authority during the financial year. These gains and losses reconcile to the overall movement in net worth.
- The Balance Sheet which sets out the financial position of the Authority as at 31st March 2025.
- The Movement in Reserves Statement which summarises the changes in 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.
- The Statement of Accounting Policies and explanatory notes which form the basis for the preparation of the accounts.

The Authority's accounts for the year ending 31 March 2025 are presented in the format laid down in the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 (the Code). This format incorporates the requirements of International Financial Reporting Standards (IFRS) wherever this is possible.

Organisational review and external environment

The Pembrokeshire Coast National Park as a public body, was designated in 1952 following the implementation of the National Parks and Access to the Countryside Act 1949. The National Parks and Access to the Countryside Act 1949, subsequently amended by the Environment Act 1995, saw the creation of the Pembrokeshire Coast National Park Authority ("the Authority") in 1996 to protect areas of the Pembrokeshire coastline, inland waterways and other designated inland areas.

The Authority has two statutory purposes:

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

In pursuing these two purposes, the Authority also has a duty to foster the economic and social well-being of communities living within the Park.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

The strategic aim of the National Park is detailed in its Partnership Plan 2025-2029 which sets out actions and responsibilities to meet the National Park purposes of conservation, enjoyment and understanding. Developed in partnership with stakeholders, the delivery of the partnership plan is monitored through the Authority's performance monitoring framework and focuses on four complementary key themes:



One of the Authority's key responsibilities to its communities is to function as the Planning Authority for the geographical area of the National Park. Other principal services include conservation, recreation management and transport, promoting understanding, rangers and volunteers, forward development planning and communities.

Business performance and operational model

The Authority's Management Plan, now referred to as a Partnership Plan, sets out the priorities, objectives and key actions for a five-year period. In March 2025, the National Park Authority, following consultation, approved a new National Park Partnership Plan 2025-2029 for the Authority. Following feedback from partners as part of the consultation process, officers began exploring opportunities to develop an overarching partnership or forum to specify, guide and scrutinise Plan achievements. The list of Special Qualities for the Park was updated within the Plan, taking account of a previous public consultation on the Park's Special Qualities. A link to the document is attached:

<https://www.pembrokeshirecoast.wales/wp-content/uploads/2025/03/1-Partnership-Plan.pdf>

A quarterly performance monitoring system is in place to enable effective performance reporting to the Operational Review Committee and the Audit and Corporate Services Review Committee. Annual performance is reported in our annual report on 'Meeting Well-Being Objectives' which is available on our website. The Authority also produces an Assurance Monitoring Report covering compliance, public and statutory duties including corporate improvement. This is an element of our risk management and assurance approach which supports officers and Members in monitoring, assessing and responding to compliance and corporate improvement areas of work.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Overall Service Performance

The Revenue Budget and Capital programme for 24-25 were approved by the Authority in February 2024. The Authority classifies its services based on delivery criteria and are noted below. Costs saw an increase overall principally as a result of the impact of a pay and grading award. This cost an additional £402k in additional salaries, backdated to April 23 and met out of earmarked reserves. Increased investment income and additional revenue funding of £1.4m from Welsh Government however has contributed to a positive out turn for the year of £117k despite an expected original budgeted deficit of £509k and vired deficit budget of £252k:

Service Areas:	2024-25 Net Exp Actual	2024-25 Vired Budget	Variance	2023-24 Actual
	£'000	£'000	£'000	£'000
Conservation of the Natural Environment	325	384	(59)	413
Conservation of the Cultural Heritage	147	153	(6)	114
Development Control	506	537	(31)	457
Forward Planning & Communities	293	291	2	290
Promoting Understanding	1,203	1,369	(166)	1,118
Recreation & Transport	(262)	(368)	106	(107)
Rangers, Estates & Volunteers	1,427	1,483	(56)	1,374
Democratic Representation & Management	757	746	11	505
Support Service Costs	2,042	1,970	72	1,735
Cost of Services	6,438	6,565	(127)	5,899
Financing & Investment Income & Expenditure	(771)	(598)	(173)	(627)
Other Operating Expenditure	20	18	2	13
Taxation & Non -specific Grant Income	(5,798)	(5,733)	(65)	(5,341)
Capital grants	(6)	-	(6)	(1,116)
(Surplus)/Deficit on Provision of Services	(117)	252	(369)	(1,172)
Other items allocated from Authority reserves	(290)	(358)	68	1,098
(Increase)/Decrease in Total Comprehensive Income and Expenditure	(407)	(106)	(301)	(74)

Financial Performance and significant matters in the Accounts

The year ending 31 March 2025 continued to be a challenging year with the Authority operating in a sustained and unsettled external environment, together with the challenge of a pay & grading award. There has been continued impact of higher wage settlements than expected, increasing the Authority's underlying running costs, with particular pressures around fuel and wages.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

A summary of total income and expenditure is illustrated below:

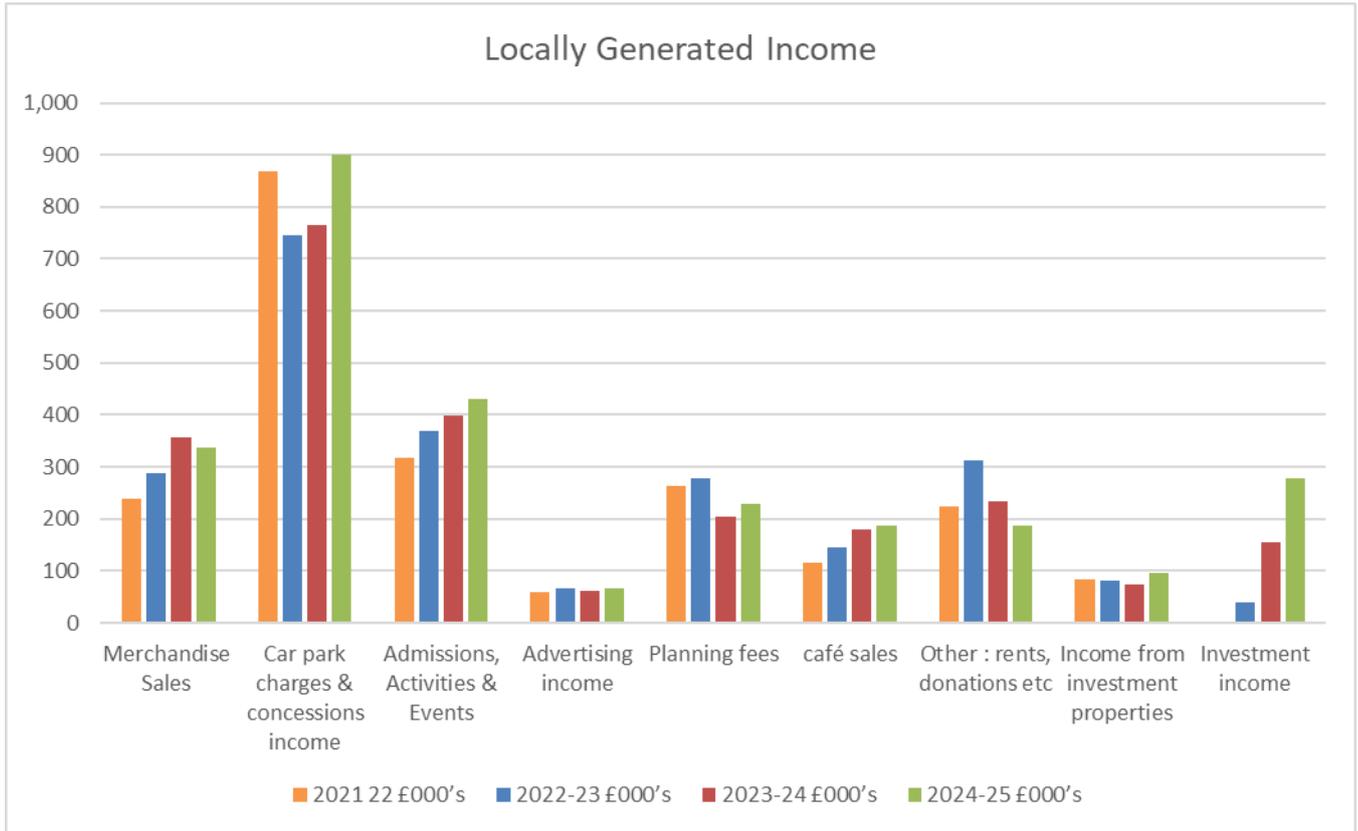
TOTAL INCOME	2025		2024	
	£'000	%	£'000	%
National Park Grant - Welsh Government	4,715	44%	4,258	40%
National Park Levy - Pembrokeshire County Council	1,083	10%	1,083	10%
Authority Generated Income	2,738	26%	2,429	23%
Service/Project Specific Revenue Grants	2,390	21%	1,847	17%
Capital grants	6	0%	1,116	10%
Total funding	10,932	100%	10,733	100%

The Welsh Government sets the level of Government funding for the National Park Authority on an annual basis through National Park Grant. For 2024/25, the level of core funding allocated resulted in a flat-cash settlement at the same level since 2020/21 at £3,249k. However, during the year the Authority received a revenue top up of £1.4m (2024: £1,009k) for 24-25 which ensured the budgeted deficit was prevented.

In setting the amount of National Park Grant, the Welsh Government also determines, in accordance with statutory powers, the minimum amount that can be raised by the National Park Authority as a Levy against Pembrokeshire County Council. The National Park Grant represents 81% of the Authority's core grant funding, with the remaining 19% represented by the Levy. This has remained the same at £1.083m since 21-22. The Authority, however, generates 26% (2024: 23%) of its income locally, for example through car park charges, planning fees and 21% (2024: 17%) from other service and project specific grants such as the maintenance of the Coast Path (National Trail). Any deficit or surplus is managed via the Authority's revenue reserves.

An analysis of total authority generated income over the last four years is noted below:

**Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025**



Car park income and concession outlets continues to be a major income generator for the Authority, contributing towards its conservation aims. No price increases were implemented in 24-25, however, increased costs were experienced resulting in a lower return. Whereas our admission prices to our heritage centres remain competitive and offer families good value, visitor numbers have been lower than the previous year. Despite this, our visitor centres have seen increases in admission and café sales principally due to inflationary price uplifts. Income from investment properties remain stable, impacted by visitor trends as some of the rents are either wholly or partially turnover based. The short-lived spike in UK ‘staycation’ activity as an immediate consequence of Covid saw those turnover based rental incomes perform well in 2021-22 as a result but have since declined over the last two years. As an example, our turnover rent from Manorbier car park was £60K in 2021-22, £45K in 2022-23 but recovered to £57K in 2024-25. Our investment income on the other hand improved due to higher interest rates, higher cash balances and good treasury management.

The fall in planning income is attributed to wider economic challenges and cost of living increases which have meant a general decrease in householder type planning applications. Planning fees are set by Welsh Government and there has been no fee increase since August 2020. WG have assured Planning Authorities that there will be a planning fee income rise in 2025-26 which should see this figure improve, aiming towards improved cost recovery.

A summary of costs for the year are detailed below:

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

TOTAL REVENUE EXPENDITURE	2025		2024	
	£'000	%	£'000	%
Employees	6,034	56%	5,304	55%
Pension actuarial adjustments	-27	0%	105	1%
Premises related	1,162	11%	1,170	12%
Transport & Travel	209	2%	205	2%
Supplies, Services and Grants	2,679	25%	2,305	24%
Depreciation, amortisation & revaluations	704	7%	572	6%
Other operating expenditure	54	1%	-100	-1%
Total revenue expenditure	10,815	100%	9,561	100%

Costs increased by £1.2m over the prior year, principally due to higher employee costs which saw an increase of 14% in the year. This was due to a backdated pay and grading award costing £400k combined with annual pay awards ranging between 2.5% to 5.8%. The pay & grading award is estimated to impact the Authority with ongoing increased costs of £200k per annum. All other costs were within expectations.

Cash flows during the year were managed within existing resources and there was no requirement for temporary borrowing. Both revenue and capital funds were monitored and re-projected on a regular basis. Cash flows were managed during 2024-25, with an investment return of £279k for the year, (2024: £155k). No cash flow difficulties are forecast within existing planning horizons, with a good level of cash backed reserves held in liquid bank deposits. Useable reserve balances have increased by £334k, in particular earmarked reserves. These have been set aside to meet forecast future deficits; infrastructure improvement works and delivery of committed projects.

The Authority had no material provisions as at 31 March 2025 and during 2024-25 there were no significant debt write offs. There were no material events after the reporting date.

The General Fund overall closed at £1.6m (2024: £1.2m), which is an improvement on the assumptions in the Mid Term Financial Strategy (Budget Reports).

Overall, Net Assets held by the Authority increased by £499k, primarily representing the surplus for the year in the comprehensive income and expenditure statement. A further £3m provision (2024: £7.6m) was made on the pension fund due to changes in recognition guidance introduced in the prior year. Whilst the defined benefit pension fund has seen an increase in its net surplus to £11m, this has been derecognised to zero. Only unfunded benefits of £31k is recognised as a negative reserve and recorded in long term liabilities. The surplus reflects the benefits earned by employees and the resources the Park has set aside to meet them, which has been limited by IAS 19 and IFRIC 14 to nil. The defined benefit pension asset is valued by actuaries and impacts the Authority's unusable reserves.

Investment and cash balances increased by £352k due to additional funding and investment interest.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Capital expenditure for 2024-25 amounted to £505k (2024: £529k). Details are noted in Note 17-21 of the accounts. The capital expenditure was funded by capital receipts of £418k, grants of £47k and earmarked reserves of £40k (note 21). This saw the acquisition of an electric minibus, investment in new machinery and IT, with larger scale projects such as the 'Green' meeting room, beach access at Traeth Mawr/Newport and buildings at Castell Henllys starting work. These unspent budgets will be added to a revised capital programme for 2025-26. There are sufficient funds available to complete the Authority's capital programme using a combination of capital resources and earmarked reserves as at 31 March 2025. Further grant funding has also been awarded for 25-26 to enable completion of the Traeth Mawr, Newport beach facility. A summary of the movement in the capital investment programme is noted below:

Capital Programme 2024-25	Original Approved Budget	Revised Working Budget	Total Actual Expenditure 31-03-2025	Overspen d/(Undersp end)	Budget remaining
	£	£	£	£	£
Plant & Equipment	-	207,032	203,805	-	3,227
Carew Causeway Repairs	32,000	32,000	-	-	32,000
Castell Henllys Improvement Programme	50,000	50,000	1,750	-	48,250
Green Room Redevelopment Project	463,287	850,000	76,274	-	773,726
Traeth Mawr, Newport Development	150,000	150,000	34,943	-	115,057
Fleet Upgrade	22,846	97,846	97,549	-	297
Decarbonisation / Net Zero feasibility for our Buildings	150,000	150,000	-	-	150,000
Carew Castle Enhancement & Interpretation	42,675	42,675	2,959	-	39,716
Carew Castle Visitor Access improvements	32,000	32,000	-	-	32,000
OYP security	20,000	20,000	-	-	20,000
PV projects	0	11,773	12,909	1,136	-
IT systems	0	70,000	74,789	4,789	-
Llanion Park H&S	5,000	40,000	-	-	40,000
Porthgain Hoppers	5,000	5,000	-	-	5,000
TOTAL	972,808	1,758,326	504,978	2,401	1,255,749

The capital programme was not fully achieved due to limited staff resource, increasing demands on staff time, demanding complex work often requiring lengthy specialist heritage and technical consultation, increasing cost of materials and difficulty in obtaining suitable contractors through the tendering and procurement process.

Governance

The governance arrangements of the Authority are addressed in the Annual Governance Statement for 2024-2025. There have been no significant changes in the governance arrangements in the year. Areas identified for improvement are addressed in our Annual Governance Report.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Risks and opportunities

The Park operates a risk management framework and documents its key risks in the Corporate Risk Register. This is reviewed by the Audit and Corporate Services Review Committee annually. The Annual Governance Statement for 24-25 includes an assessment of current key weaknesses of the Authority's governance arrangements together with planned actions to address these.

During 2024-25, the Authority's management of risk was reviewed by internal audit. Recommendations from this Audit will be taken forward for completion in 2025-26 including updating Authority's risk objectives. This has been incorporated into the Risk Management framework and is being embedded into our approach to managing risks.

Basis of preparation

The 2024-25 CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code') introduced the following significant changes:

- *IFRS 16 Leases January 2016*
- *Classification of Liabilities as Current or Non-current (Amendments to IAS 1) January 2020*
- *Lease liability in a Sale and Leaseback (Amendments to IFRS 16) September 2022*
- *Non-current Liabilities with Covenants (Amendments to IAS 1) October 2022*
- *International Tax Reform: Pillar Two Model Rules (Amendments to IAS 12) May 2023*
- *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) May 2023*

IFRS 16, effective April 2024, represented the main impact for the Authority. This requires lessees to adopt a policy to recognise eligible leases on their balance sheets as right-of-use assets with corresponding lease liabilities, unless exempted. The adoption of this new standard has resulted in the Authority recognising right of use assets and related lease liabilities in connection with all former operating leases except for those identified as low value or having a remaining lease term of less than 12 months from the date of initial application of the standard. Following an assessment of the Authority's leased assets, assets worth £100k were recognised as Right of Use Assets with a corresponding liability of £100k. (see note 22). The authority has initially recognised lease liabilities measured at the present value of lease payments, discounted by applying the authority's calculated incremental borrowing rate of 5%, wherever the interest rate implicit in the lease cannot be determined.

The statements are structured to comply with the disclosure requirements of the Code and in an order judged to provide the most logical sequence, with reference to the significance of the main statements and supporting notes. The accounting policies used in the preparation of the accounts are listed on pages 23 to 31.

Assets costing more than £10k with an economic useful life of over one year are capitalised. Assets under this value are treated as a revenue cost.

The Authority's accounts have been prepared on the basis that the Authority continues to operate as a going concern for the foreseeable future. This is judged to be reasonable based

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

on the Medium-Term Financial Strategy (MTFS/Budget) for 2025-26 which was approved in March 2025. Whilst this projected a deficit of £566k, there is sufficient reserves to ensure a balanced budget. Key controls including regular budget monitoring will continue to keep the MTFS updated to ensure that if budget assumptions are not met, corrective action can be taken in a timely manner.

The Authority uses rounding to the nearest thousand pounds in the accounts. The accounting policies allow for small rounding differences, but these do not impact on the overall reporting of the Authority's financial performance.

Strategy and resource allocation

Our financial plan is set out in our Medium-Term Financial Strategy (Budget Reports). The strategy formalises the Authority's key revenue and capital plans in relation to the management of its finances, given the prevailing and future financial environment. It sets out projections for future years' budgets over a five-year period to inform understanding of the likely availability of financial resources, which will be used in the provision of services. The full MTFS and Park Management Plan documents can be found on the Authority's website.

The Authority's future financial outlook will continue to be challenging over the next few years as the impact of cumulative reductions in core funding is felt and costs remain high. Welsh Government settlement for 25-26 included a 5% increase but this is not sufficient to meet the increased costs which have arisen over the last few years.

Over the past two years higher inflation has led to higher-than-expected pay awards. These increased costs, combined with flat line settlements from the Welsh Government and the levy has contributed towards the Authority facing a deficit position. The Park Authority is considering options such as reducing the scale of the operation, potential strategies for growing the business through income generation and grant funding so as to mitigate financial risk and impact.

The Authority aims to develop greater agility to respond to economic and funding challenges and achieve long term financial resilience.

Outlook

The Authority's MTFS for 2025-26 assumes a 5% increase in core funding but flat lined over subsequent years of the strategy. This indicates significant deficits for the years 2025-26 to 2028-29 exceeding £1m per annum which will require either significant additional income generation from either existing or new sources combined with either cost reductions or service curtailment to balance the budget. The Authority, in the past, has grown its income from non-core grant sources which has helped sustain service levels.

Inflation is showing an increasing trend, from 2.8% in May 2024 to 4% in May 2025, principally driven by increases in energy costs. Global uncertainty remains elevated, influenced by unsettled conditions in the Middle East which impact on energy costs & supply chains. Political change in government has seen significant changes to policies which impact costs e.g. lowering of national insurance thresholds, leading to further uncertainties around the

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

economy, inflation, legislation and interest rates, all of which could have a significant impact on what the Authority is able to achieve in future years.

More unexpected global shocks could destabilise inflation and a period of uncertainty remains. As a result, interest rates are likely to be held at 4.25% in the short term but with the advantage of receiving good returns on cash balances.

Meeting the financial pressures, however, requires a rigorous approach to identifying efficiencies, maximise non-core funding streams opportunities and the reprioritisation of spending within services. Accordingly, the Authority plans to adopt a strategy which will involve:

- I. Maintaining a balanced budget position.
- II. Strong financial management: The Authority controls and monitors the actual position of the Authority on a regular basis setting out actions to correct any emerging issues.
- III. Asset maintenance: the Capital Programme should ensure adequate programmes of maintenance to sustain values of key assets, especially income-generating assets.
- IV. Maximise resource base: the Authority will ensure the best use of physical and other assets including staff time.
- V. Value for money: continuous review of budgets to ensure resources are targeted on key objectives and deliver value for money.
- VI. Maximise income streams while at the same time minimising the financial risks to the Authority.
- VII. Working towards becoming more agile in responding to pressures.

The Authority's cash reserve position provides a cushion to address this deficit in the short term. The financial situation will therefore be managed by:

- where appropriate, discontinuing certain activities,
- improved efficiencies,
- cost savings,
- reviewing opportunities to generate income
- seeking sources of grant aid.

The Authority has also identified several investment projects that may contribute to a balanced and robust long term financial strategy. These include the expansion and improvement of current areas of service such as Oriol Y Parc, Carew Castle and Mill and Castell Henllys. Whilst these developments are reliant on future grant funding, some earmarked reserves exist to support investment in these and potential new income generation projects.

Statement of Responsibilities for the Financial Statements

The Authority's responsibilities for the accounts under local government legislation and other requirements are:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the S151 Officer (chief financial officer).to manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.
- to approve the statement of accounts.

Chair.....Dr. Madeleine Havard

Date.....

The Chief Financial Officer's legal and professional responsibility for the accounts:

The Chief Financial 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 Financial Officer has:

- selected suitable accounting policies and then applied them consistently.
- made judgments 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 Financial Officer's Certificate

I hereby certify that the Statement of Accounts presents a true and fair view of the financial position of the Authority as at 31st March 2025 and its expenditure and income for the year ended 31st March 2025.

.....
Chief Financial Officer – Richard Griffiths (S151 Officer)

Date

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

Opinion on the financial statements

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

I have audited the financial statements of Pembrokeshire Coast National Park Authority for the year ended 31 March 2025 under the Public Audit (Wales) Act 2004. Pembrokeshire Coast 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 2025.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of Pembrokeshire Coast National Park Authority as at 31 March 2025 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 2025.

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. My staff and I are independent of Pembrokeshire Coast 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 Pembrokeshire Coast National Park Authority's ability to continue to adopt the going concern basis of accounting for a period of at least 12 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

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

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.

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 is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of Pembrokeshire Coast National Park Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement. I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

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

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls 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; and
- assessing Pembrokeshire Coast National Park Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by Pembrokeshire Coast National Park Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004. 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 Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Pembrokeshire Coast National Park Authority'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: management override and the posting of unusual journals.
- Obtaining an understanding of Pembrokeshire Coast National Park Authority's framework of authority as well as other legal and regulatory frameworks that Pembrokeshire Coast National Park Authority operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

had a fundamental effect on the operations of Pembrokeshire Coast National Park Authority.

- Obtaining an understanding of related party relationships.

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 Audit and Corporate Services Review Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Authority; and
- 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 Pembrokeshire Coast National Park 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. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Pembrokeshire Coast 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
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

13 February 2026

The maintenance and integrity of Pembrokeshire Coast National Park Authority's website is their responsibility; the work carried out by 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.

Comprehensive Income and Expenditure Statement

Notes	2025			2024		
	Gross expenditure	Gross Income	Net expenditure	Gross expenditure	Gross Income	Net expenditure
	£'000	£'000	£'000	£'000	£'000	£'000
Conservation of the Natural Environment	1,475	(1,150)	325	1,120	(706)	413
Conservation of the Cultural Heritage	153	(6)	147	116	(2)	114
Development Control	747	(241)	506	674	(216)	457
Forward Planning & Communities	393	(100)	293	390	(100)	290
Promoting Understanding	2,866	(1,663)	1,203	2,734	(1,617)	1,118
Recreation & Transport	924	(1,186)	(262)	866	(973)	(107)
Rangers, Estates & Volunteers	1,544	(117)	1,427	1,462	(88)	1,374
Democratic Representation & Management	1,017	(260)	757	646	(140)	505
Support Service Costs	2,071	(29)	2,042	1,939	(204)	1,735
Cost of Services	11,190	(4,752)	6,438	9,946	(4,047)	5,899
Financing & Investment Income & Expenditure	9		(771)			(627)
Other Operating Expenditure	10		20			13
Taxation & Non -specific Grant Income	11/12		(5,804)			(6,457)
(Surplus)/Deficit on Provision of Services			(117)			(1,172)
(Surplus)/deficit on revaluation of fixed assets	17		(440)			(836)
Actuarial (gains)/losses on pension assets/liabilities	33		58			4,817
Other Comprehensive Income and Expenditure			(382)			3,981
Total Comprehensive Income and Expenditure	4/5		(499)			2,809

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Balance Sheet

	Notes	2025		2024	
		£'000	£'000	£'000	£'000
Fixed Assets					
Property, Plant & equipment	17	16,120		15,788	
Heritage Assets	18	646		646	
Investment property	20	1,326		1,317	
Long term assets			18,092		17,751
Current assets					
Investments	23	4,822		4,641	
Inventories	24	197		157	
Debtors	25	415		672	
Cash & cash equivalents	26	3,615		3,443	
			9,049		8,913
Current liabilities					
Creditors due within one year	27		(763)	(908)	
			26,379	25,756	
Creditors due after more than one year	28		(123)	-	
Net assets			26,255	25,756	
Reserves					
Useable reserves	29	8,405		8,071	
Unusable reserves	30	17,850		17,685	
Total reserves			26,255	25,756	

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Movement in Reserves Statement for the year ending 31 March 2025

	Notes	General Funds	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Total Useable Reserve	Revaluation Reserve	Capital Adjustment Account	Pension Reserve	Accumulated Absences Reserve	Total Unusable Reserves	Total Authority Reserves
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 April 2024		1,216	5,575	328	952	8,071	6,521	11,237	-	(73)	17,685	25,756
Total Comprehensive Income and Expenditure		117	-	-	-	117	440	-	(58)	-	382	499
Adjustments between accounting basis & funding basis under regulations	7	290	335	(71)	(337)	217	(88)	(108)	27	(48)	(217)	-
Increase/(Decrease)		407	335	(71)	(337)	334	352	(108)	(31)	(48)	165	499
Balance as at 31 March 2025	29/30	1,623	5,910	257	615	8,405	6,873	11,129	(31)	(121)	17,850	26,255

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Movement in Reserves Statement for the year ending 31 March 2024

		General Funds	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied Reserve	Total Useable Reserve	Revaluation Reserve	Capital Adjustment Account	Pension Reserve	Accumulated Absences Reserve	Total Unusable Reserves	Total Authority Reserves
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Balance as at 1 April 2023		1,142	4,937	389	319	6,787	5,771	11,162	4,922	(77)	21,778	28,565
Total Comprehensive Income and Expenditure		1,172	-	-	-	1,172	836	-	(4,817)	-	(3,981)	(2,809)
Adjustments between accounting basis & funding basis under regulations	7	(1,098)	638	(61)	633	112	(86)	75	(105)	4	(112)	-
Increase/(Decrease)		74	638	(61)	633	1,284	750	75	(4,922)	4	(4,093)	(2,809)
Balance as at 31 March 2024	29/30	1,216	5,575	328	952	8,071	6,521	11,237	-	(73)	17,685	25,756

Cashflow Statement

	Notes	2025 £'000	2024 £'000
Net (surplus)/deficit on the provision of services		(117)	(1,172)
Net cash flows from operating activities			
Adjust net (surplus)/deficit on the provision of services for non-cash movements	31	(841)	(685)
Adjust for items included in the net (surplus)/deficit on the provision of services that are investing and financing activities	20	97	74
Net cash flows from investment activities		(861)	(1,783)
Investing Activities	32	689	1,558
Net (increase)/decrease in cash and cash equivalents		(172)	(225)
Cash and cash equivalents at the beginning of the reporting period		(3,443)	(3,218)
Cash and cash equivalents at the end of the reporting period	26	(3,615)	(3,443)

Statement of Accounting Policies

a) General Principles

The purpose of the Statement of Accounting Policies is to explain the calculation bases of the figures in the accounts.

The accounts have been prepared in accordance with:

- The Code of Practice on Local Authority Accounting in the United Kingdom – which interprets International Financial Reporting Standard (I.F.R.S) guidelines. This document, prepared by CIPFA, pulls together legislative requirements and other guidance notes applicable to the preparation and publication of local authority accounts.
- Service Reporting Code of Practice for Local Authorities (SeRCOP)
- The accounting convention adopted is historic cost with current value for some classes of fixed assets.

b) Accounting Concepts

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

- Relevance
- Reliability
- Comparability
- Understandability
- Materiality
- Faithful representation
- Timeliness
- Accruals
- Going concern
- Primacy of legislative requirements

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.

c) Accruals of Income and Expenditure

- Customer and other receipts in the form of sales, fees, charges, rents and grant aid are accrued and accounted for in the period to which they relate. All known uncollectable debts are written off at the time they become uncollectable.
- The full cost of employees is charged to the accounts for the period in which the employee worked.
- Reimbursed travel expenses are not accrued for the 12th month of each year.
- Interest payable on external borrowings and interest income is accrued and accounted for in the accounts for the period to which it relates, as far as the amounts are material.
- The costs of supplies and services are accrued and accounted for in the period during which they were consumed or received.

d) Contingent Assets and Contingent Liabilities

Contingent Assets and Liabilities are not recognised within the Financial Statements but are disclosed by way of a note to the Balance Sheet. The note, where necessary, will identify the nature of the asset or liability and an estimate of its potential financial impact and timing.

e) Events after the reporting period

Where an event after the Balance Sheet provides evidence of conditions existing at the Balance Sheet date occurs, the amounts recognised in the accounts will be adjusted. Where an event occurs after the Balance Sheet date and is indicative of conditions that arose after the Balance Sheet date, amounts recognised in the accounts will not be adjusted and the event will be disclosed by way of a note to the statements if material. However, during the year there have been no such events.

f) Grants Received

Grants received are matched with the expenditure to which they relate. The National Park Grant from the Welsh Government and the Levy from Pembrokeshire County Council, which finance the general activities of the Authority, are credited to the revenue account for the period in respect of which they are payable. Revenue grants for specific services are presented against those services in the Comprehensive Income and Expenditure Account. Where the acquisition of a fixed asset is financed either wholly or in part by a grant from another organisation, the amount of grant is credited to the Comprehensive Income and Expenditure Account. Unless any conditions have not been met, grants and contributions for revenue purposes must be fully recognised in the Comprehensive Income and Expenditure Account in the period of receipt. Revenue grant income is transferred to earmarked reserves until it is applied. Transfers from the General Fund to earmarked reserves are accounted for in the Movement in Reserves Statement (MiRS) within the transfers to or from earmarked reserves line.

g) Group Accounts

Group Accounts are not applicable to the Authority's accounts, as no relationships exist with any subsidiaries, associates or joint ventures as defined for reporting purposes.

h) Investments and Capital Instruments

The Authority does not hold any investments in listed and unlisted companies. Surplus cash deposited in short term notice money market accounts accessible over 90 days, are treated as investments. The Authority does not issue or hold any capital instruments listed or publicly traded on a stock exchange or market.

i) Leases

The Authority as Lessee

IFRS 16 Leases, which is mandatory from 1 April 2024, requires all substantial leases to be accounted for using the acquisition approach, recognising the rights acquired to use an asset.

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

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

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

Initial measurement of Right of Use Assets

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date, if later). The leases are typically for fixed periods in excess of one year but may have extension options. The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the authority's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

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

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

Subsequent measurement

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

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

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or zero consideration leases have been valued using market prices or rentals for equivalent land and properties. The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption. The lease liability is subsequently measured at amortised cost, using the effective interest method. The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

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

Low value and short lease exemption

As permitted by the Code, the authority excludes leases:

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

Lease expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed. Amounts are appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

The authority as lessor

Operating leases

Where the authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the other operating expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset if material and charged as an expense over the lease term on the same basis as rental income.

j) Employee Benefits

Short term employee benefits include wages and salaries, paid annual leave, paid sick, paternity, and maternity leave and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements, including flexitime, earned by employees but not taken before the year end which employees can carry forward into the next financial year. The accrual is charged to Surplus or Deficit on the Provision of Services and then reversed out through the Movement in Reserves Statement.

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

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

benefits involve the enhancement of pensions, statutory provisions require the General Reserve balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year. The Statement of Accounts includes a statement to disclose information in relation to exit packages.

The Authority's employees have access to the Dyfed Pension Fund, a defined benefit scheme, which is administered by Carmarthenshire County Council. The cost of providing pensions for employees is funded in accordance with the statutory requirements governing the scheme in which the Authority participates. However, accounting for these pensions is to be done in accordance with generally accepted accounting practice as interpreted by the Code. Where the payments made for the year in accordance with the scheme requirements do not match the change in the Authority's recognised asset or liability for the same period, the recognised cost of pensions will not match the amount to be met through approved net funding. This is represented by an appropriation to or from the pension's reserve which equals the net change in the pension's liability recognised in the Comprehensive Income and Expenditure Statement.

The assets of the fund are measured at their fair value at the balance sheet date and any liabilities, such as accrued expenses, are deducted. The attributable scheme liabilities are measured on an actuarial basis using the projected unit method. The scheme liabilities comprise:

- Any benefits promised under the formal terms of the scheme; and
- Any constructive obligations for further benefits where a public statement or past practice by the employer has created a valid expectation in the employees those benefits will be granted.

The surplus/deficit in the scheme is the excess/shortfall of the value of the assets in the scheme over/below the present value of the scheme liabilities. The Authority should recognise an asset to the extent that it is able to recover a surplus either through reduced contributions in the future or through refunds from the scheme. The Authority should recognise a liability to the extent that it reflects its legal or constructive obligation. Any changes in the defined benefit asset or liability is analysed into its component parts.

k) Provisions

Provisions are made and charged to the appropriate revenue account when the Authority has a present obligation based on a past event, where it is probable that a transfer of economic benefit will occur and where a reliable estimate can be made of the value of the benefit. Provisions are charged to the Comprehensive Income and Expenditure Statement, but when expenditure is incurred, it is charged direct to the provision. Provisions are reviewed at the end of each period and exclude future operation losses and items where it is no longer probable that a transfer of economic benefit will take place. A provision for bad and doubtful debts is included in the accounts and the carrying amount for debtors has been adjusted accordingly.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

l) Reserves

Earmarked reserves are amounts set-aside from revenue, with prior approval, for a specific purpose, falling outside the definition of provisions. Transfers to and from Earmarked Reserves are disclosed in the Movement of the Authority's Reserves Statement Balance as Net Transfer to or from Earmarked Reserves.

General reserves are balances held for contingency and cash-flow purposes and are not earmarked for other specific purposes. Recognition is given to LAAP Bulletin 77 – Guidance Note on Local Authority Reserves and Balances in reviewing and monitoring the levels of reserves.

Capital reserves are not available for revenue purposes. The Capital Adjustment Account is non-distributable and held for balance sheet purposes only. The usable capital receipts reserve and unapplied capital grants reserve can only be used for capital expenditure purposes, the latter reflecting capital grants received but not yet applied to capital projects.

m) Inventories and Long-term Contracts

Stocks of merchandise, timber, and stamps are included in the accounts at cost. Other immaterial stock, for example stationery, is treated as current expenditure and charged directly to revenue.

n) Non-Current Assets

Fixed assets comprise capital expenditure on:

- All land and buildings purchases.
- Land and buildings enhancement exceeding £10,000.
- All items (such as vehicles and equipment) with a useful life in excess of one year and costing or valued at over £10,000 either individually or collectively. Repairs and general maintenance expenditure is charged directly to revenue and not capitalised.

Fixed assets are initially measured at cost but are then generally revalued on a rolling 5-year revaluation programme to ensure that their value is accurately reflected in the Authority's balance sheet. If market or other situations dictate, then assets outside of the rolling programme can be revalued where appropriate. Revaluations are undertaken by the Authority's qualified Estates Officer, Carmarthenshire County Council and by qualified surveyors employed by R.K. Lucas and Son, in accordance with the RICS Appraisal and Valuation Manual and CIPFA guidelines as they relate to Asset Valuations.

When assets are revalued, any difference between the stated values and historic cost is represented in the Revaluation Reserve.

Non-current assets are carried in the Balance Sheet as follows:

- Operational property, plant and equipment assets are carried at their current value to the authority in their existing use.
- Non-operational property, plant and equipment – surplus assets are carried at fair value.
- Non-operational assets in the course of construction/development are recorded at cost.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

- Infrastructure – depreciated historical cost.
- Community assets – depreciated historical cost or valuation rather than current or fair value.
- Assets held for sale – measured at the lower of their carrying amount and fair value less costs to sell. These non-current assets are taken outside the scope of capital accounting pending sale although they remain subject to capital financing arrangements under the Prudential Framework.

Assets subject to positive revaluation have been reflected in the Revaluation Reserve and assets with negative revaluation, without a prior revaluations reserve balance, have been charged to the Comprehensive Income and Expenditure statement. Asset values are not altered when the Authority is not aware of any material change in an asset’s value.

Proceeds from the sale of individual assets of £10,000 or less are not treated as capital receipts and are, instead, credited directly to the revenue account. Proceeds above this de-minimus are credited to the Usable Capital Receipts Reserve, on an accruals basis.

Upon disposal of an asset, the net book value of the asset is written off against the Capital Adjustment Account. Where a fixed asset is disposed of for other than a cash consideration, or payment is deferred, an equivalent asset is recognised and included in the balance sheet at its appropriate value.

Depreciation is charged on all fixed assets with a finite useful life, accounting for estimated residual values. Depreciation rates, on a straight-line basis, are as follows:

Asset:	Depreciation rate:
Freehold land	Nil
Freehold buildings	25 years or useful life
Car parks	Reduced to 50% of cost/valuation over 25 years
Intangible assets	4 years
Plant and machinery	10 years
IT equipment	4 years
Vehicles and equipment	5 years
Assets in the course of construction	Nil

Fully depreciated assets are reviewed to ascertain whether their value in the balance sheet and their potential future lifespan are appropriately represented. Where necessary, asset depreciable lives are extended, or assets are revalued to achieve the appropriate representation.

Under IFRS 13 Fair Value Measurement standard, any surplus assets (assets that are not being used to deliver services, but which do not meet the criteria to be classified as either investment properties or non-current assets held for sale) held by the Authority are revalued at market value rather than value in existing use. Operational property, plant and equipment assets are outside the scope of IFRS 13.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

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 previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on assets held for sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are 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. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account. The written-off value of disposals is not a revenue charge as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement

o) Capital Charges and Revenue Expenditure Funded From Capital Under Statute

The cost of services in the Comprehensive Income and Expenditure Account includes a capital charge for all fixed assets used by each service, as recorded in the Balance Sheet at 31st March 2025. These charges equate to the sum of depreciation. The General Fund Balance is adjusted so the overall result is of no financial impact on the amounts raised from the National Park Grant and Local Authority Levy – that is, the adjustments are self-balancing. All expenditure on repairs and maintenance relating to fixed assets is charged to the appropriate service revenue account. Payments that, under legislation, are funded from capital resources but where no fixed assets are created, are charged to the appropriate service in the Comprehensive Income and Expenditure Statement. These charges are subsequently reversed out in the Movement in Reserves Statement with an equal charge to the Capital Adjustment Account.

p) Interest Charges and Receipts

Surplus funds are invested in short term liquid deposits. The interest is credited to the Comprehensive Income and Expenditure Account.

q) Value Added Tax

The accounts have been prepared exclusive of VAT as the Authority recovers VAT on its activities.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

r) Investment Properties.

The Authority holds Investment properties which are a separate class of property (land or a building, or part of a building, or both) which is held solely to earn rentals or for capital appreciation, or both, and are carried at their market value. Income from rental of Investment properties and impairments in the value of Investment Properties are shown in the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. Investment properties are carried at fair value and following the specifications in IFRS 13 at highest and best use.

s) Heritage Assets

The Authority is required to separately record Heritage Assets from other assets. Heritage Assets are assets preserved in trust for future generations because of their cultural, environmental or historic associations. The review of the impairment, acquisition and disposal of heritage assets is reviewed by the Authority's Asset Management Group. Heritage Assets are subject to the Authority's normal revolving five yearly assets revaluations program and are valued on an historical cost basis. Depreciation of Heritage Assets, where appropriate, is in line with the general policy on depreciation.

t) Cash and cash equivalents

Cash is defined as cash in hand, deposits held with financial institutions repayable without penalty on notice of not more than 24 hours and bank overdrafts. Cash equivalents are short-term, highly liquid investments, with original maturities of three months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

Notes to the Accounts

1. Accounting standards that have been issued but not yet adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. As at the balance sheet date, the following new standards and amendments to existing standards have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023.
- IFRS 17 Insurance Contracts issued in May 2017.
- The changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach.

It is not anticipated that the above amendments will have a material impact on the information provided in the Authority's financial statements.

2. Critical judgements in applying accounting policies

Other than those disclosed elsewhere in these notes the Authority has not had to make any critical judgements about complex transactions or those involving uncertainty about future events. However, with the uncertainty regarding the future level of funding for the National Park Authority beyond 2025, there is the assumption the authority will be able to conduct its primary functions post 2025 and be a going concern.

3. 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.

- In the Authority's Balance Sheet on 31 March 2025, there is a risk of material adjustment in the forthcoming financial year in the size of the pension asset /liability. 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

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied. Whereas this was assessed to be valued at £11m at the year end, this asset and reserve was derecognised in the balance sheet in accordance with IAS 19 & IFRIC 14.

- The Statement of Accounts contains accruals for income and expenditure known as at the balance sheet date. This includes the accumulative absences accrual which represents the value of staff leave due, but not taken, as at the end of the financial year.
- Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance bringing into doubt the useful lives assigned to assets. If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for buildings would increase in these circumstances.
- IFRS 16 requires entities to make certain judgements and estimations. Critical judgements include:
 - determining whether or not a contract contains a lease
 - establishing whether or not it is reasonably certain that an extension option will be exercised
 - considering whether or not it is reasonably certain that a termination option will not be exercised
 - determining whether or not variable leased payments are truly variable, or in-substance fixed
 - for lessors, determining whether the lease should be classified as an operating or finance lease.
 - calculating the appropriate discount rate to use
 - estimating the lease term
 - estimating variable lease payments dependant on an index or rate.
- There is a uncertainty about future levels of funding for local government. However, the Authority 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 reduce levels of service provision.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

4. 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 and charges etc.,) 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 service areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

	Net expenditure chargeable to the General Reserve	Adjustment between funding & accounting	Net comprehensive Income & Expenditure	Net expenditure chargeable to the General Reserve	Adjustment between funding & accounting basis	Net comprehensive Income & Expenditure
	31-Mar-25			31-Mar-24		
	£'000	£'000	£'000	£'000	£'000	£'000
Conservation of the Natural Environment	252	73	325	323	90	413
Conservation of the Cultural Heritage	141	6	147	107	7	114
Development Control	470	36	506	421	36	457
Forward Planning & Communities	275	18	293	274	16	290
Promoting Understanding	923	280	1,203	884	234	1,118
Recreation & Transport	(447)	185	(262)	(290)	183	(107)
Rangers, Estates & Volunteers	1,247	180	1,427	1,193	181	1,374
Democratic Representation & Management	739	18	757	489	16	505
Support Service Costs	1,785	257	2,042	1,445	290	1,735
Past Service Gain / Pension Curtailment	-	-	-	-	-	-
Net Cost of Services	5,386	1,053	6,438	4,846	1,053	5,899
Other Income & Expenditure	(5,793)	(1,144)	(6,937)	(4,920)	1,830	(3,090)
(Surplus)/Deficit for year	(407)	(91)	(499)	(74)	2,883	2,809
Opening balance of General Reserve	(1,216)			(1,142)		
Closing Balance of General Reserve	(1,623)			(1,216)		

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

5. Adjustments between the funding and accounting basis

	Capital	Other	Pension	Total	Capital	Other	Pension	Total
	31-Mar-25				31-Mar-24			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Conservation of the Natural Environment	16	31	26	73	18	44	28	90
Conservation of the Cultural Heritage	-	(1)	7	6	-	1	6	7
Development Control	-	4	32	36	-	-	36	36
Forward Planning & Communities	-	2	16	18	-	-	16	16
Promoting Understanding	156	26	98	280	149	-	85	234
Recreation & Transport	188	(14)	11	185	188	(16)	11	183
Rangers, Estates & Volunteers	125	(14)	70	181	135	(29)	75	181
Democratic Representation & Management	-	(1)	18	17	-	1	15	16
Support Service Costs	179	15	63	257	234	(5)	62	290
Past Service Gain / Pension Curtailment	-	-	-	-	-	-	-	-
Net Cost of Services	664	48	341	1,053	724	(4)	334	1,053
Other Income & Expenditure	(454)	(377)	(313)	(1,144)	(976)	(1,861)	4,667	1,830
(Surplus)/Deficit for year	210	(329)	28	(91)	(252)	(1,865)	5,001	2,883

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

6. Expenditure and income analysed by activity

	2025	2024
	£'000	£'000
Expenditure		
Employee benefits	6,034	5,409
Other services	4,077	3,580
Depreciation, amortisation & revaluations	704	572
Total expenditure	<u>10,815</u>	<u>9,561</u>
Income		
Fees, charges & specific services grant income	(4,752)	(4,047)
Interest & investment income	(376)	(229)
Credited to taxation & non-specific grant income	(5,804)	(6,457)
Total Income	<u>(10,932)</u>	<u>(10,733)</u>
(Surplus)/Deficit on provision of services	<u>(117)</u>	<u>(1,172)</u>

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

7. Adjustments between the funding and accounting basis under Regulation

	2025	2024
	£'000	£'000
Adjustments primarily involving the capital adjustment account:		
Reversal of items debited or credited to the comprehensive income and expenditure statement:		
Charges for depreciation & impairment of non-current assets	664	724
Losses on revaluation of property, plant & equipment	54	12
Movement in fair value of investment properties	(14)	(152)
Financing capital MRP	(2)	-
Capital expenditure funded receipts	(374)	
Non current assets written out	-	16
Insertion of items not debited or credited to the comprehensive income and expenditure statement:		
Capital expenditure charged against the General Fund	(41)	(528)
Adjustment primarily involving the capital receipts reserve:		
Capital receipts used	(91)	(61)
Adjustments primarily involving the pension reserve:		
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	440	541
Employers Pension contributions and direct payments to pensioners payable in the year.	(467)	(436)
Adjustment primarily involving the accumulated absences account:		
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	48	(4)
Total adjustments between accounting basis & funding basis under regulation	217	112

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

8. Earmarked reserves

This note sets out the amounts set aside from the General Fund to Earmarked Reserves to provide financing for future expenditure. The amounts transferred from Earmarked Reserves are required to meet earmarked general fund expenditure incurred in the year.

	Opening balance as at 1 April 2024	Transfers to revenue	Transfers from revenue	Balance as at 31 March 2025
	£'000	£'000	£'000	£'000
Receipts In Advance*	(2,832)	1,299	(1,948)	(3,481)
Ringfenced project funds	(204)	56	(103)	(251)
Asset management & replacement fund	(167)	39	(50)	(178)
Planning (LDP) fund	(87)	-	(12)	(99)
National Park Wales	(28)	-	-	(28)
Gate refurbishment fund	(35)	-	(2)	(37)
Sustainable development fund	(138)	-	(112)	(250)
Planning Enforcement fund	(78)	31	(100)	(147)
Invasive Species fund	(22)	-	-	(22)
Carew Causeway maintenance fund	(154)	-	(53)	(207)
Digital transformation & IT infrastructure fund	(237)	19	(130)	(348)
Green Room redevelopment fund	(750)	-	300	(450)
Job regrading review fund	(450)	450	(20)	(20)
Decarbonisation fund	(250)	2	(1)	(249)
Investment & delivery fund	(143)	-	-	(143)
Total	(5,575)	1,896	(2,231)	(5,910)

*Contains grants for specific projects funded in advance of expenditure

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

9. Financing and investment income

	2025	2024
	£'000	£'000
	£	£
(Gain)/Deficit in fair value of investment properties	(14)	(152)
Interest payable & similar charges	5	-
Income from Investment properties	(97)	(74)
Pensions Net Interest Cost	(386)	(246)
Interest receivable and similar income	(279)	(155)
	<u>(771)</u>	<u>(627)</u>

10. Other operating expenditure

	2025	2024
	£'000	£'000
	£	£
Movement on Bad Debt Provision	2	(3)
Pension Administration Expenses	18	16
	<u>20</u>	<u>13</u>

11. Taxation and non-specific grant income

	2025	2024
	£'000	£'000
	£	£
National Park Revenue Grant - Welsh Government	(4,715)	(4,258)
Levy on Pembrokeshire County Council	(1,083)	(1,083)
Capital grants and contributions	(6)	(1,116)
	<u>(5,804)</u>	<u>(6,457)</u>

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

12. Grant income analysis

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

	2025	2024
	£'000	£'000
	£	£
Credited to Taxation and Non-Specific Grant Income:		
National Park Revenue Grant - Welsh Government	(4,715)	(4,258)
Levy on Pembrokeshire County Council	(1,083)	(1,083)
Capital grants - Welsh Government	(6)	(865)
Capital grants - other	-	(251)
	(5,804)	(6,457)
Credited to Services:		
Welsh Government: Sustainable Landscapes Sustainable Places projects, Invasive Species, Designated landscapes projects	(1,397)	(1,041)
Natural Resources Wales: National Trail/Coast Path; Woodland schemes, National Parks Wales, Castlemartin Ranger	(239)	(286)
Pembrokeshire Coast National Park Trust projects	(68)	(36)
Pembrokeshire County Council: Local Places for Nature/Biodiversity grants/Shared Prosperity Fund	(374)	(190)
Welsh Government Access Improvement Grant	(59)	(29)
Ministry of Defence - Castlemartin Ranger.	(21)	(21)
Community Fund Roots to Recovery	(60)	(104)
National Lottery Heritage Fund	(153)	(77)
Gwynedd County Council Dawnsio Y Dibyn & Pollinators	-	(38)
Other grants	(19)	(25)
	(2,390)	(1,847)
Total grants	(8,194)	(8,304)

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

13. Senior officer remuneration

Staff with remuneration in excess of £60,000 (or pro rata) – earnings subject to pay as you earn taxation and pension contributions - was as follows:

	Chief Executive Officer		Director (Placemaking & Engagement)		Director (Nature Recovery & Tourism)		Monitoring Officer*		S151 Officer*	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Gross Pay	93	89	76	67	75	70	19	17	7	7
P11D values	1	1	1	1	1	1	-	-	-	-
Employer Pension Contributions	10	10	8	7	8	7	2	2	1	1
Total	104	100	85	75	84	78	21	19	8	8

* The Monitoring Officer is employed 25% of normal contractual hours and the S151 officer on a part time basis.

The median remuneration of the Authority was £27,711 (2024: £25,979) with the ratio of the Chief Executive Officer to the median remuneration of 3.32:1 (2024: 3.45).

The Authority’s other employees receiving more than £60,000 remuneration for the year (excluding employer’s pension contributions) were paid the following amounts:

	Number of employees	
	2025	2024
£60,000 to £65,000	3	-

14. Members allowances and expenses

Total members’ allowances paid during the year amounted to £113,302 (2024: £107,479) plus, reimbursement of travelling, subsistence and other expense payments amounting to £3,065 (2024: £3,637).

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

15. Termination benefits

There were no compulsory redundancies in 2024-25, (2024: Nil). The numbers of all exit packages, including pension payments and agreed severances, with total cost per band and total cost are set out in the table below:

	NUMBER OF SETTLEMENTS			COST
	to £20,000	£20,001 to £40,000	£40,001 to £60,000	£'000
2024-25	5	-		24
2023-24	-	1	-	9

During the year, the Authority paid £24k in termination benefits, (2024: £9k).

16. Audit fees

	2025 £'000 £	2024 £'000 £
Financial audit services	32	31
Performance audit services	17	19
	49	50

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

17. Property, plant and equipment

The following is a summary of capital expenditure during the reporting period, including assets acquired under finance leases, analysed for each category of fixed assets together with the sources of finance and capital financing requirement. The movements consist of additions arising from the capital programme, assets made operational during the year, asset revaluations, depreciation charges where applicable, disposals, impairments and reclassifications of held assets.

2024-25 Fixed asset schedule	Operational L&B £'000	Non operational assets £'000	Right of Use Assets £'000	Plant & Equipment £'000	TOTAL £'000
Cost/Valuation					
Opening balance 1-4-24	14,948	62	-	3,737	18,747
Adjustment on transition to IFRS 16	-	-	100	-	100
Additions	-	116	-	389	505
Disposals	-	-	-	(108)	(108)
Revaluations	245	-	-	-	245
Transfers	5	(3)	-	3	5
Balance @ 31-3-25	15,198	175	100	4,021	19,494
Accumulated depreciation					
Opening balance 1-4-24	802	-	-	2,157	2,959
Charge for year	265	-	3	396	664
Release on disposal	-	-	-	(108)	(108)
Revaluations	(141)	-	-	-	(141)
Balance @ 31-3-25	926	-	3	2,444	3,374
Net book value @ 31-3-25	14,272	175	97	1,577	16,120
Net book value @ 31-3-24	14,146	62	-	1,580	15,788

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

2023-24 Fixed asset schedule	Operational L&B £'000	Non operational assets £'000	Plant & Equipment £'000	TOTAL £'000
Cost/Valuation				
Opening balance 1-4-23	14,223	52	3,395	17,670
Additions	176	26	326	528
Disposals	-	(16)	-	(16)
Assets derecognised	-	-	16	16
Revaluations	549	-	-	549
Balance @ 31-3-24	14,948	62	3,737	18,747
Accumulated depreciation				
Opening balance 1-4-23	829	-	1,719	2,548
Charge for year	261	-	421	682
Assets derecognised	-	-	17	17
Revaluations	(288)	-	-	(288)
Balance @ 31-3-24	802	-	2,157	2,959
Net book value @ 31-3-24	14,146	62	1,580	15,788
Net book value @ 31-3-23	13,394	52	1,676	15,122

Assets to the value of £3k were made operational during the year and transferred to operational plant & machinery, (2024: £Nil).

Preliminary expenditure at the year end, held under non-operational (under construction) group is made up of:

	2025 £'000 £	2024 £'000 £
Meeting 'Green' room redevelopment	116	40
Traeth Mawr/ Newport Sands beach access redevelopment	38	3
Carew causeway & other castle improvements	12	9
PV installations	6	9
Castell Henllys improvements	3	1
	175	62

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Revaluations and impairment

Land and buildings are revalued on a five-year rolling programme in accordance with the statement of accounting policy. Assets revalued during the year were:

- St. David's Airfield
- Haverfordwest Withybush Depot
- St. Davids Visitor Centre
- Sychpant Recreation Area
- Castell Henllys - Roundhouses, Visitor Centre, Store, Carpark & Grounds

A summary of the financial impact (excluding depreciation) of asset revaluations and impairment is presented below:

Year	Other land & buildings	Surplus Assets £'000	Net total
2024-25	513	-	513
2023-24	549	-	549
2022-23	1,417	-	1,417
2021-22	1,074	-	1,074
2020-21	-	-	-

	2025 £'000 £	2024 £'000 £
Revaluation of fixed assets included in (surplus)/deficit on the provision of services	(54)	(13)
Upward/(Downward) revaluation of assets and impairment losses not charged to the surplus/deficit on the provision of services	440	849
Sub total	386	836
Revaluation and Impairment of investment properties	14	152
Total	400	988

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

18. Heritage assets

The Authority's classification of heritage assets relates to specific buildings, monuments, cliffs, sand dunes, woodlands and other types of property. The total valuation as at the balance sheet date was £646k (2024: £646k).

19. Intangible assets

Intangible assets are assets such as software licences that do not have a physical substance but provide future economic benefits to the Authority.

	2025	2024
	£'000	£'000
	£	£
Balance as at 1 April	-	25
Amortisation for year	-	(25)
Balance as at 31 March	-	-

20. Investment properties

The following items of income has been accounted for in the Financing & Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

	2025	2024
	£'000	£'000
	£	£
Rental income from investment property	97	74

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement. The following table summarises the movement in the fair value of investment properties in the year:

	2025	2024
	£'000	£'000
	£	£
Balance as at 1 April	1,317	1,165
Transfer to operational land & buildings	(5)	-
Net gain from fair value adjustments	14	152
Balance as at 31 March	1,326	1,317

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

21. Capital expenditure and commitments.

The following projects were funded as part of the capital programme for the year:

	2025	2024
	£'000	£'000
	£	£
Promoting Understanding & Enjoyment:		
- Castell Henllys	3	1
- St.Davids Visitor Centre	13	35
- Carew Causeway	-	9
- Carew Interpretation	3	-
Recreation & Park Management:		
- E.V. Charging Points	-	61
- Carparks	-	51
- Newport Sands development	35	128
Conservation of Natural Environment	203	-
Corporate & Support Services:		
- Vehicles & Equipment	98	204
- Green Room Development	76	3
- IT equipment	74	27
- PV installations	-	9
Total capital spend in year	505	528

Financing of fixed assets and intangibles

The net cash additions to fixed assets and intangibles of £505k (2024: £528k) (additions less transfers from non-operational assets) were financed as follows:

	2025	2024
	£'000	£'000
	£	£
Capital receipts	418	319
Capital and other grants	47	129
Earmarked reserves	40	80
	505	528

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Capital commitments.

As at 31st March 2025, the Authority had £710k of capital commitments, (2024: £168k) and held no assets for resale (2024: £Nil).

22. Leases and lease type arrangements

The authority’s lease contracts comprise leases of operational land and buildings, plant and equipment and motor vehicles. With the adoption of IFRS 16 for the first time in 2024/25, the opening balance for the Property, Plant and Equipment has been adjusted for the right-of-use assets. The recognition of right-of-use assets of £100k reflects the net present value of lease liabilities as at 1 April 2024. Prior periods have not been restated. As at 31 March 2025 the following material leases has been included in the table below, for right-of-use assets:

	2025			2024 Total
	Land & buildings	Vehicles & equipment	Total	
Right of use assets	£'000	£'000	£'000	£'000
Adjustment on transition to IFRS 16	100	-	100	-
Depreciation & amortisation	(3)	-	(3)	-
Balance at 31 March 2025	97	-	97	-

Leases recognised as rights of use assets include Carew Castle & Tidal Mill and the Authority’s Foreshore lease. Right-of-use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2024-25 and not by adjusting prior year figures. A weighted average incremental borrowing rate of 5% has been applied to lease liabilities as at 1 April 2024. The expense relating to variable lease payments not included in the measurement of lease liabilities, such as supplementary rent, amounts to £17k per annum and has been included in the CIES.

Operating Leases

The Authority has decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value assets. The Authority recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. These leases represent vehicles under contract hire agreements, photocopiers and other land & buildings under long-term rental agreements.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

The Authority incurred the following expenses and cashflows in relation to leases:

	2025	2024
	£'000	£'000
Comprehensive income & expenditure statement:	£	£
Interest expense on lease liabilities	5	n/a
Expense relating to short-term leases	31	n/a
Expense relating to exempt leases of low value	23	n/a

Maturity analysis of lease liabilities:

The lease liabilities are due to be settled over the following time bands:

	2025			2024		
	Land & buildings	Vehicles & equipment	Total	Land & buildings	Vehicles & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Falling due within one year	20	13	33	25	16	41
Between one year and five years	73	4	77	96	4	100
After five years	201	-	201	524	-	524
	294	17	311	645	20	665

Lease liabilities for right of use assets:

	2025		
	Land & buildings	Vehicles & equipment	Total
	£'000	£'000	£'000
Right of use assets			
Falling due within one year	6	-	6
Between one year and five years	25	-	25
After five years	201	-	201
	232	-	232

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Finance Leases

The Authority had no finance leases as at 31st March 2025, (2024: £Nil).

Authority as lessor:

The Authority acts as Lessor for twenty-four properties, generating an income of £97,350 (2024: £73,302). Examples of these properties are the lease of land at Freshwater East and the lease of Llanion Park North Block. Some of these property leases exceed 20 years and are valued on a long-leasehold basis. They have a combined net asset value of £1.3m with zero cumulative depreciation. There were no gains or losses as a lessor during the year.

Maturity analysis of lease receivables:

The lease receivables are due to be collected over the following time bands:

	2025	2024
	£'000	£'000
	£	£
Falling due within one year	122	120
Between one year and five years	432	426
After five years	2,352	2,325
	2,906	2,871

23. Investments

	2025	2024
	£'000	£'000
	£	£
Bank deposits accessible after 90 days	4,822	4,641
	4,822	4,641

24. Inventories

	2025	2024
	£'000	£'000
	£	£
Balance as at 1 April 2024	157	154
Purchases	267	234
Recognised as an expense in the year	(228)	(234)
Written off	1	3
Balance as at 31 March 2025	197	157

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

25. Debtors

	2025	2024
	£'000	£'000
	£	£
Trade receivables	22	34
Prepayments	108	157
Grants receivable	178	427
Other debtors	107	54
	415	672

26. Cash and cash equivalents

	2025	2024
	£'000	£'000
	£	£
Bank accounts & deposits	3,612	3,439
Cash	3	4
	3,615	3,443

27. Creditors: amounts due within one year

	2025	2024
	£'000	£'000
	£	£
Trade payables	282	313
Receipts in advance	130	144
Lease liabilities	6	n/a
Other creditors	344	451
	763	908

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

28. Creditors due after more than one year

	2025	2024
	£'000	£'000
	£	£
Pension fund	31	-
Lease liabilities	92	n/a
	123	-

The lease liabilities are secured by the related underlying assets.

29. Useable Reserves

	2025	2024
	£'000	£'000
	£	£
General fund	1,623	1,216
Earmarked reserves	5,910	5,575
Capital receipts	257	328
Capital grants unapplied	615	952
	8,405	8,071

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

30. Unusable reserves

	2025	2024
	£'000	£'000
	£	£
Revaluation reserve	6,873	6,521
Capital Adjustment Account	11,129	11,237
Pensions reserve	(31)	-
Accumulated absences account	(121)	(73)
	17,850	17,685

These are analysed below:

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

a. Revaluation reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. 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 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.

	2025		2024	
	£'000	£'000	£'000	£'000
	£	£	£	£
Balance as at 1 April		6,521		5,771
Upward revaluation of assets	567		849	
Downward revaluation of assets & impairment losses not charged to the (surplus)/deficit on the provision of services	<u>(127)</u>		<u>(13)</u>	
Surplus or deficit on revaluation of non-current assets not posted to the surplus/deficit on the provision of services		440		836
Difference between fair value depreciation and historical cost depreciation		<u>(88)</u>		<u>(86)</u>
Balance as at 31 March		<u>6,873</u>		<u>6,521</u>

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 April 2007, the date that the Revaluation Reserve was created to hold such gains. The analysis below provides details of the source of all the transactions posted to the account, apart from those involving the Revaluation Reserve.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

	2025		2024	
	£'000	£'000	£'000	£'000
	£	£	£	£
Balance as at 1 April		11,237		11,162
Reversal of items relating to capital expenditure debited/credited to the CIES:				
Charges for depreciation & impairment of non-current assets	(664)		(724)	
Revaluation losses on property, plant & equipment	(54)		86	
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	-		(16)	
	<u>-</u>	(718)	<u>(16)</u>	(654)
Adjusting amounts written out of the revaluation reserve		<u>89</u>		<u>-</u>
Net written out amount of the cost of non-current assets consumed in the year		10,608		10,508
Capital financing applied in the year:				
Minimum lease payments	2		-	
Use of the capital receipts reserve to finance new capital expenditure	91		61	
Capital grants & contributions credited to the CIES that have been applied to capital financing	47		129	
Application of grants to capital financing from the capital grants unapplied account	327		319	
Capital expenditure charged against the general fund	<u>41</u>		<u>80</u>	
		507		589
Movements in the market value of investment properties debited/credited to the CIES		14		140
Balance at 31 March		<u><u>11,129</u></u>		<u><u>11,237</u></u>

c. 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 are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pay any pensions for which it is responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

	2025	2024
	£'000	£'000
	£	£
Balance at 1 April	-	4,922
Actuarial gains or losses on pensions assets and liabilities	3,475	2,832
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	(422)	(525)
Employer's pensions contributions and direct payments to pensioners payable in the year	467	436
Interest on surplus above asset ceiling	(375)	-
Administration Expenses	(18)	(16)
Effect of IAS 19/ IFRIC 14	<u>(3,158)</u>	<u>(7,649)</u>
Balance at 31 March	<u>(31)</u>	<u>-</u>

d. 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 as at 31 March. Statutory arrangements require that the impact on the General Fund Balance be neutralised by transfers to or from the Account.

	2025	2024
	£'000	£'000
	£	£
Balance at 1 April	(73)	(77)
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	<u>(48)</u>	<u>4</u>
Amounts accrued as at 31 March	<u>(121)</u>	<u>(73)</u>

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

31. Cashflow statement – net cashflows from operating activities

	2025	2024
	£'000	£'000
Depreciation & amortisation	(664)	(724)
Losses on revaluation of property, plant & equipment	(54)	-
Revaluations & impairments of investment properties	14	152
Increase/(Decrease) in inventories	40	3
Increase/(Decrease) in debtors	(257)	139
(Increase)/Decrease in creditors	22	(150)
Provision of services costs for post-employment benefits	27	(105)
Other non cash items charged to the CIES	31	-
	(841)	(685)

32. Cashflow statement – net cashflows from investing activities

	2025	2024
	£'000	£'000
Purchase of property, plant and equipment, investment property and intangible assets	505	528
Increase in investments	181	1,104
Right of use assets	100	-
Other receipts from investing activities	(97)	(74)
Net cash flows from investing activities	689	1,558

33. Defined Benefit Pension

The Authority offers defined retirement benefits to staff, relating to pay and service, under the Dyfed Pension Fund (Local Government Pension Scheme), being a funded scheme administered by Carmarthenshire County Council. Although these benefits will not actually be payable until employees retire, the Authority has a current commitment to make the benefits payments that needs to be disclosed at the time that employees earn their future entitlement. The Authority's contribution rates are determined by the Fund's professionally qualified actuaries based on triennial valuations of the Fund, the most recent of which was as at 31st March 2022, and are set with the aim of ensuring that the overall liabilities of the fund can be met when matched with employee contributions. The principal risks to the Authority of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Local authorities are required to recognise the costs of retirement in the Net Cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, this conflicts with the charge the Authority is required to make in the

Comprehensive Income and Expenditure Account based on the cash payable in the year to the pension fund, so the real cost of retirement benefits is then reversed out of the accounts in the statement of movement on the general fund balance. Under International Accounting Standards 19 (IAS 19) the accounting for pension's schemes has been revised for all fiscal years beginning on or after 1st January 2013 and these changes reflected in the financial statements includes interest on Assets. The expected return on assets is replaced with the "interest on assets". This is the interest on assets held at the start of the period and cash flows occurring during the period, calculated using the discount rate at the start of the year. The pension cost under the revised IAS 19 will see the interest cost and expected return on assets replaced with the "net interest cost". This will be calculated as interest on pension liabilities less the interest on assets. The revised IAS 19 guidance requires that all actuarial gains and losses be recognised in the year of occurrence via Other Comprehensive Income and Expenditure and can no longer be deferred. Actuarial gains and losses on liabilities due to changes in actuarial assumptions will need to be split between the effect of changes in financial assumptions and changes in demographic assumptions. Administration expenses are recognised as a separate item within the pension cost.

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 is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Total post-employment benefit charged to Comprehensive Income and Expenditure	2025		2024	
	£'000	£'000	£'000	£'000
Service Costs:				
Current service cost		808		771
Effects of curtailment		-		-
Past Service Cost*		-		-
Financing & Investment Income & Expenditure:				
Interest cost on Liabilities	1,478		1,419	
Interest on Plan Assets	(1,864)		(1,665)	
Interest on surplus above asset ceiling	375		-	
Net Interest On Pension		(11)		(246)
Other Operating Income & Expenditure				
Administration Costs		18		16
Total Post-Employment Benefits charged to Surplus/Deficit on Provision of Services		815		541
Other Post Employment Benefits charged to Comprehensive Income & Expenditure:				
Return on plan assets (excluding the amount included in the net interest expense)		956		(2,109)
Actuary Experience (gain)/loss		3		148
Actuary (Gain) / Loss on financial assumptions		(4,360)		(474)
Actuary (Gain) / Loss on demographic assumptions		(74)		(397)
Interest on surplus above asset ceiling		375		-
Effect of IAS 19/ IFRIC 14		3,158		7,649
Total Post-employment Benefits charged / (credited) to the Comprehensive Income and Expenditure Statement		58		4,817
Reversal of charges made to surplus/deficit on provision of services in the Movement in Reserves Statement				
Current service cost		(808)		(771)
Interest cost on Liabilities		(1,478)		(1,419)
Interest on Plan Assets		1,864		1,665
Administration Costs		(18)		(16)
Actual Amount charged against General Fund		(440)		(541)
Employer Contributions		467		395

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

	Funded liabilities: Local Government Pension	
	2025	2024
	£'000	£'000
Benefit Obligations at beginning of Year	30,510	30,062
Current Service Cost	808	771
Interest On Pension Liabilities	1,478	1,419
Member Contributions	279	255
Remeasurement of Liabilities:		
Experience (gain)/loss	3	148
(Gain) / Loss on financial assumptions	(4,360)	(474)
(Gain) / Loss on demographic assumptions	(74)	(396)
Curtailments	-	-
Benefits Paid	(978)	(1,275)
Benefit Obligations at End of Year	<u>27,666</u>	<u>30,510</u>

Reconciliation of Present value Scheme Assets:

	Local Government Pension Scheme	
	2025	2024
	£'000	£'000
Fair Value at beginning of Year	38,159	34,984
Interest on / Expected Return on Plan Assets	1,864	1,665
Remeasurement / Actuarial Gains/(Losses) on Assets	(956)	2,109
Administration Expenses	(18)	(16)
Employer Contributions	467	436
Member Contributions	279	255
Benefits/transfers paid	(978)	(1,275)
Rounding	(1)	1
Fair Value at End of Year	<u>38,816</u>	<u>38,159</u>
Net Surplus	<u>(11,150)</u>	<u>(7,649)</u>

	2025	2024	2023
	£'000	£'000	£'000
Actuarial (Gains)/Losses recognised in the Movement in Reserve Statement	<u>58</u>	<u>4,817</u>	<u>(13,200)</u>

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

The *current service costs* reflect the liabilities expected to arise from employee service in the current period. The *past service costs* reflect the increase in liabilities related to employee service in prior periods arising from the improvement of retirement benefits in the current period. The *curtailment/settlement costs* reflect changes in liabilities relating respectively to actions that relieve the employer of primary responsibility for a pension obligation (e.g. a group of employees being transferred to another scheme) or events that reduce the expected years of future service of employees or reduce the accrual of defined benefits over their future service for some employees (e.g. closing a business unit). The *return on assets* reflects the average rate of return expected on the actual assets held in the pension scheme. Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. These assumptions are made by the Fund's actuaries, Mercer Ltd, and are based on the actuarial valuation report at 31st March 2022. *Interest on pension liabilities* reflects the expected increase during the year in the present value of liabilities because the benefits are one year closer to settlement. The underlying assets and liabilities for retirement benefits attributable to the Authority as at 31st March 2025 are as follows:

	2025 £'000
Present Value of Funded Benefits Obligations	27,635
Present Value of Unfunded benefit obligations	31
Total present value of Benefit Obligations	27,666
Fair Value of Plan Assets	(38,816)
Effect of IAS 19/ IFRIC 14	11,181
Unrecognised Past Service	-
Deficit/(Surplus)	31

The pension reserve balance reflects a surplus in the benefits earned by employees and the resources the Park has set aside to meet them, which has been limited by IAS 19 and IFRIC 14. The year end deficit represents the deficit on unfunded benefits which are not incorporated as part of the assets ceiling calculation in accordance with accounting convention.

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Prior year scheme values:

Scheme Year	Present value Scheme Liabilities £000	Fair Value of Scheme Assets £000	Surplus/ (Deficit) in the scheme
31st March 2024	30,510	38,159	7,649
31st March 2023	30,062	34,984	4,922
31st March 2022	43,275	36,265	(7,010)
31st March 2021	42,566	34,087	(8,479)
31st March 2020	35,690	27,117	(8,573)
31st March 2019	35,708	30,103	(5,605)

	2025		2024	
	Beginning of period	End of period	Beginning of period	End of period
Financial assumptions:				
Rate of CPI inflation / CARE benefits	2.70%	2.60%	2.70%	2.70%
Rate of increase in salaries	4.20%	4.10%	4.20%	4.20%
Rate of increase in pensions in payment / deferment	2.80%	2.70%	2.80%	2.80%
Discount rate	4.90%	5.80%	4.80%	4.90%

	2025		2024	
	Beginning of period	End of period	Beginning of period	End of period
Mortality assumptions:				
Longevity at 65 for current pensioners:				
Men	22.9	22.9	21.5	21.9
Women	25.6	25.7	23.8	24.1
Longevity at 65 for retired pensioners:				
Men	21.5	21.5	21.9	21.5
Women	23.8	23.9	24.1	23.8

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Post retirement mortality assumptions (normal health)

	2025	2024
Non-retired members		
M/F:		
- Mortality table	SAPS 4 / SAPS 4 middle	SAPS 3 / SAPS 3 middle
- Improvements	CMI 23 1.5% / CMI 23 1.5%	CMI 22 1.5% / CMI 22 1.5%
- Weightings	103% / 97%	105% / 97%
- Additional parameters	S=7, A=0, W20=W21=0, W22=W23=15%	S=7, A=0, W20=W21=0, W22=25%
Retired members M/F:		
- Mortality table	SAPS 4 / SAPS 4 middle	SAPS 3 / SAPS 3 middle
- Improvements	CMI 23 1.5% / CMI 23 1.5%	CMI 22 1.5% / CMI 22 1.5%
- Weightings	100% / 97%	102% / 97%
- Additional parameters	S=7, A=0, W20=W21=0, W22=W23=15%	S=7, A=0, W20=W21=0, W22=25%

Sensitivity analysis as at 31 March 2025

	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4	Sensitivity 5	
		+ 0.5% p.a. discount	+ 0.25% p.a. inflation	+ 0.25% p.a. pay growth	1 year increase in life expectancy	+/-1% change in 2024/25 investment returns	
Disclosure item	£000s	£000s	£000s	£000s	£000s	1%	-1%
Liabilities	27,666	25,838	28,628	27,892	28,221	27,666	27,666
Assets	(38,816)	(38,816)	(38,816)	(38,816)	(38,816)	(39,203)	(38,429)
Deficit/(Surplus) (exc ceiling impact)	(11,150)	(12,978)	(10,188)	(10,924)	(10,595)	(11,537)	(10,763)
Projected Service Cost for next year	615	537	657	615	629	615	615
Projected Net Interest Cost for next year (exc ceiling impact)	(661)	(832)	(604)	(647)	(627)	(683)	(638)

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

Scheme assets are analysed as follows:

		2025	2024
		£'000	£'000
Equities:	UK quoted	4,375	4,678
	Global quoted	19,451	18,533
	Japan	1,514	1,530
	Emerging Markets	2,267	2,179
	European ex UK	520	842
Bonds:	UK Government indexed	-	-
	WPP Global Fund	3,563	3,590
Property:	Property Funds	4,052	4,700
Alternatives	Black Rock UK SAIF	1,432	1,458
	Infrastructure WPP GCM Grosvenor	536	265
	Infrastructure WPP Capital Dynamics	39	30
	WPP Global Private Credit	718	162
Cash:	Cash accounts	349	192
Total		<u>38,816</u>	<u>38,159</u>

The end of year figures for the market value of the assets and the split between investments categories have been calculated as at 28/2/25. The corresponding split of assets at the start of the year has been calculated as at 31/3/24. The actuarial assumptions used in the calculation of the end of year balance sheet liabilities are based on the 2024 actuarial valuation assumptions, other than the financial assumptions which are shown above. A deduction of £18k (2024: £16k) in respect of expenses was made for the year. The forecasted employer's contribution for 2025/26 is £467k; implied service cost including net interest cost £603k and administration cost of £18k.

Further information on the Dyfed Pension Fund, such as the annual report, is available from the Fund administrators at Carmarthenshire County Council, or on-line at www.dyfedpensionfund.org.uk

34. Financial Instruments

Other than investments, cash, trade receivables and trade payables there are no financial instruments carried on the Balance Sheet.

35. Related party transactions

The National Park Authority is made up of eighteen members, twelve appointed by Pembrokeshire County Council and six directly by the Welsh Government. Members of the Authority have direct control over the Authority's financial and operating policies. The Authority maintains registers of Members' Interests and Gifts and Hospitality, with register

Pembrokeshire Coast National Park Authority
Annual Narrative Report and Accounts for the year ended 31 March 2025

of Members' Interest available for inspection on the Authority's website. There are no issues to report arising from the entries in these registers, and the Authority's ability to control or influence another party as result of the recorded interests is considered highly unlikely.

Disclosure notes 12 and 21 show the amount and sources of significant revenue and capital funding which the Authority received during the year. In addition to the receipt of a Levy from Pembrokeshire County Council the Authority also contracts with them for the supplies of goods and services including the provisions of refuse management, vehicle maintenance, and specialist planning advice. The Welsh Government has significant influence over the general operations of the Authority; it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants, provides a Term of Government Remit Letter and prescribes the terms of many of the transactions that the Authority has with other parties. The aggregate level of income and expenditure and end of year balances on the following third parties are:

Organisation			31-Mar-25	31-Mar-25
	Income	Expenditure	Creditor	Debtor
	£'000	£'000	£'000	£'000
Welsh Government	6,177	-	-	-
Pembrokeshire County Council	1,457	-	-	43

During the year the Authority contributed £10k (2024: £6k) to support the running of Pembrokeshire Coast National Park Trust. The trust is registered with the charity commission with the status of a charitable incorporated organisation and the only voting members are the charity trustees. The Authority also provides other non-cash services to the Trust, including officer time, advice and office space. The Trust has eight current trustees, two of whom are members of the National Park Authority.

The Authority also paid a subscription of £10k (2024: £10k) to the National Park Partnership, a limited liability partnership between the 15 U.K. National Park Authorities.

36. Provisions, contingent liabilities and assets

In line with current guidelines, the Authority has not recognised the pensions asset of £11,150k (2024: £7,649k). The pension asset has therefore been discounted to zero, excepted for unfunded benefits. Where a surplus is identified, paragraph 64 of IAS19 limits the measurement of a net defined benefit asset to the lower of the surplus in the defined benefit plan and the 'asset ceiling'. Paragraph 8 of IAS19 defines the asset ceiling as *'the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan'*. For 24-25, this resulted in a deficit position, which is reflected in liabilities in the balance sheet.

The Authority had no other material contingent liabilities or assets as at 31 March 2025, 2024: £Nil).

37. Statement reporting review of internal controls.

The Authority has published its Annual Governance Statement for 2024-25 in which it reviews its internal controls and documents its governance arrangements. The Statement includes a specific note confirming that the Authority's financial management arrangements conform to the governance requirements of the CIPFA/Solace code 'Delivering Good Governance in Local Government'.

38. Events after the reporting period

There were no events after the year end and the date of this report that require the financial statements to be adjusted or disclosed by way of note. (2024: None).

39. Amounts reported for resource allocation decisions.

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is that specified by CIPFA's Service Reporting Code of Practice. Similarly, the information used by the Authority for decision making is also prepared under the Best Value Accounting Code of Practice. Accordingly, there is no requirement under this note for reconciliation between the Comprehensive Income and Expenditure Statement and amounts reported for resource allocation decisions.



Parc Cenedlaethol
Arfordir Penfro
Pembrokeshire Coast
National Park

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 MARCH 2025



Vision: To ensure a vibrant, sustainable future for the environment and for those who live, work and visit the National Park.

www.pembrokeshirecoast.org.uk

Contents

- 1 Introduction 2
- 2 Scope of Responsibility..... 4
- 3. What are the Authority’s Key Governance Arrangements 5
 - Committee structure..... 8
 - Senior Leadership Team..... 9
 - Management Team..... 9
 - Evidence sources to monitor effectiveness..... 9
- 4. What are the Authority’s Core Principles of Good Governance 11
- 5. How the Authority Demonstrates its Core Principles of Good Governance 12
- 6. Governance Improvement Actions from 2024-2025..... 31
- 7. Governance Improvement Action Plan 2025-2026..... 34
- 8. Governance Opinion & Conclusion..... 37

1 Introduction

1.1 The Pembrokeshire Coast National Park as a public body, was designated in 1952 following the implementation of the National Parks and Access to the Countryside Act 1949. The beautiful area of Pembrokeshire was identified as needing special care to conserve it for future generations and, because of the Environment Act 1995, the Pembrokeshire Coast National Park Authority (“the Authority”) was created in 1996.

1.2 In managing the National Park, the Authority has two statutory purposes:

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

In pursuing these two purposes, the Authority also has a duty to foster the economic and social well-being of communities living within the Park.

1.3 This statement provides an overview of how the Authority’s governance arrangements operate, including how they are reviewed annually to ensure they remain effective. A summary of significant governance challenges which the Authority faces is also given, alongside an explanation of what actions have been taken to bring about required improvements, and what work is still to be done. This provides transparency and gives assurance that the Authority is committed to continuously improve the way in which it functions. More detail on topics can be accessed by clicking on the hyperlinks, which are highlighted and underlined throughout the document.

1.4 In addition, the Authority as a public body, is subject to the Wellbeing of Future Generations (Wales) Act 2015. Under this Act, as part of its governance arrangements, the Authority is required to set and publish well-being objectives, take all reasonable steps to meet those objectives and act in accordance with the sustainable development principles. The Well-being of Future Generations Act requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change.



1.5 The Environment Act 2016, introduced after Brexit, is UK law focused primarily on environmental governance. The equivalent Environment (Wales) Act 2016, aims to ensure the sustainable management of natural resources in Wales, enhancing biodiversity and resilience of ecosystems. This has significant indirect impact for the Authority through broader environmental protections, planning reforms and establishes a framework for managing natural resources sustainably.

1.6 The Authority's Well-being Objectives are stated below and align with the Authority's high-level priorities:

High Level Priorities	Impact	Authority's Well-being Objectives
Conservation: Boosting biodiversity and halting its decline	Nature is Flourishing	Conservation: To deliver nature recovery and connectivity at scale, so nature is flourishing in the Park, contributing to the protection of 30% of our land and seas for nature by 2030
Climate: Destination Net Zero	We're an Authority aiming for net zero and a carbon neutral National Park	Climate: To achieve a carbon neutral Authority by 2030 and support the Park to achieve carbon neutrality and adapt to the impact of climate change.
Connection: Natural Health Service	People are healthier, happier and more connected to nature and heritage	Connection: To create a Park that is a natural health service that supports people to be healthier, happier and more connected to the landscape, nature and heritage.
Communities: Vibrant Communities	Places people can live, work and enjoy	Communities: To create vibrant, sustainable and prosperous communities in the Park that are placed people can live, work and enjoy.

2 Scope of Responsibility

- 2.1 Pembrokeshire Coast National Park Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It is also responsible for ensuring that public money is safeguarded, properly accounted for and used economically, efficiently, and effectively. The Authority has a duty to plan to secure continuous improvement in the way in which its functions are exercised.
- 2.2 In discharging these responsibilities, the Authority must put in place proper arrangements for the governance of its affairs and effective exercise of its functions, which includes arrangements for the management of risk and adequate, effective financial management. The Authority has a Code of Corporate Governance which follows the principles of the Chartered Institute of Public Finance and Accounting (CIPFA)/Society of Local Authority Chief Executives and Senior Managers (UK) (SOLACE) Framework 'Delivering Good Governance in Local Government: Guidance for Welsh Authorities 2016'. The Code sets out how the Authority operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable.
- 2.3 The Code of Corporate Governance is reviewed every three years to ensure it remains consistent with the principles of the Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives and Senior Managers (CIPFA/SOLACE) joint framework for delivering good governance in local government.
- 2.4 This statement explains how the Authority has complied with the code and 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 and the issue of an Annual Governance Statement. In preparation of the Statement, the Authority reviews and adopts any additional guidance as issued, this includes CIPFA's Financial Management Code (2019) and the Financial Management Standards.
- 2.5 The core principles underpinning the CIPFA/SOLACE Framework are set out below and the following pages detail how the Authority is meeting these principles and governance arrangements.

3. What are the Authority’s Key Governance Arrangements

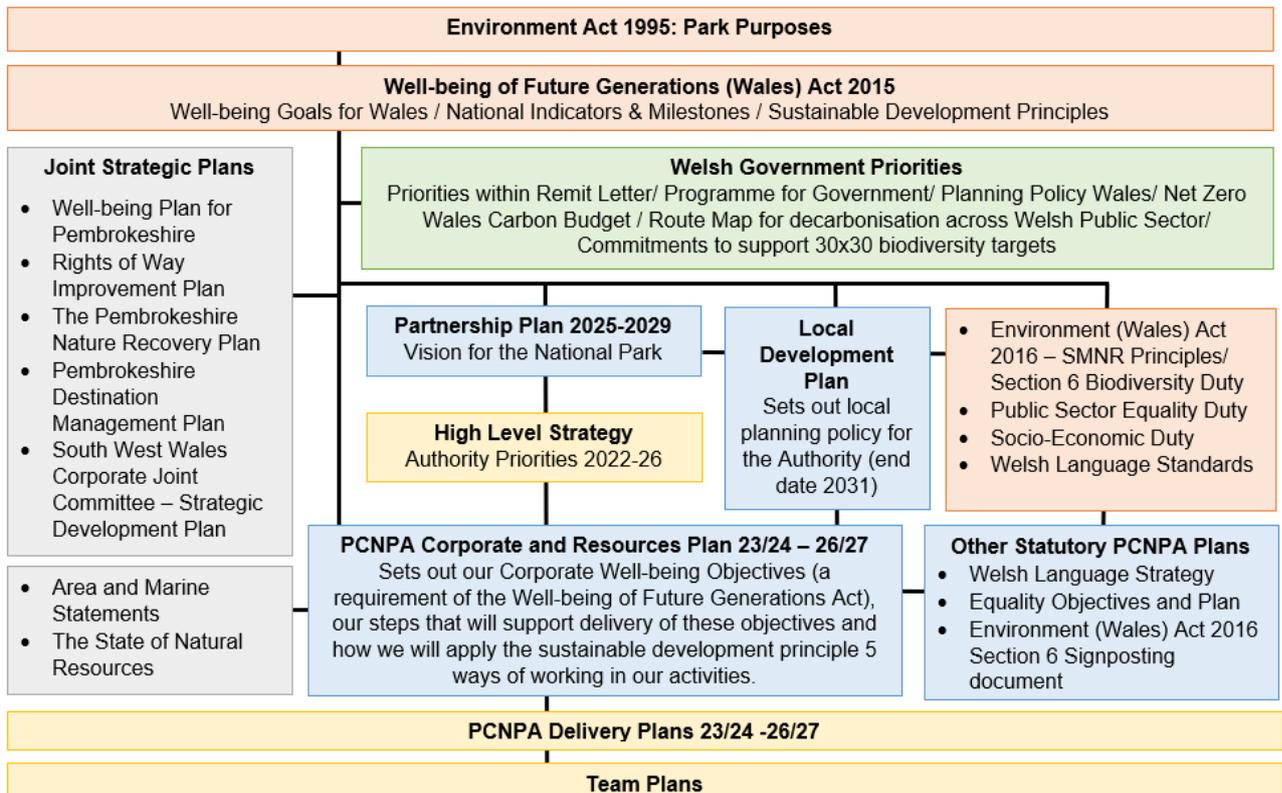
3.1 The governance framework comprises the systems and processes, culture and values by which the Authority is directed and controlled, and through which it is accountable to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services. The Authority’s strategic objectives are set out in the following:

- a. National Park Partnership Plan
- b. Local Development Plan 2
- c. Wellbeing objectives
- d. Corporate & Resources Plan
- e. Strategic Equality Plan and Objectives
- f. Welsh Language Promotion Strategy

The objectives in the Plans are underpinned by our vision of:

Ensuring a vibrant, sustainable future for the environment and for those who live, work and visit the National Park.

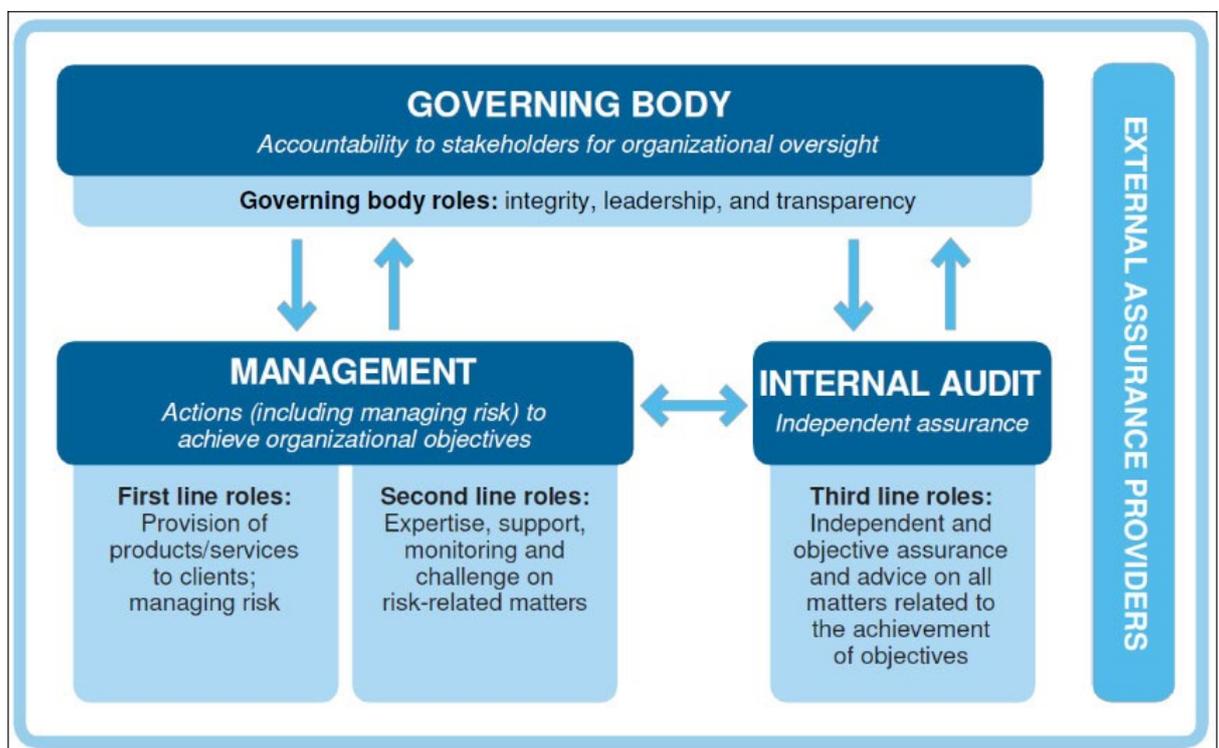
Diagram of our Plans and Statutory Duties – Where the Corporate and Resources Plan sits



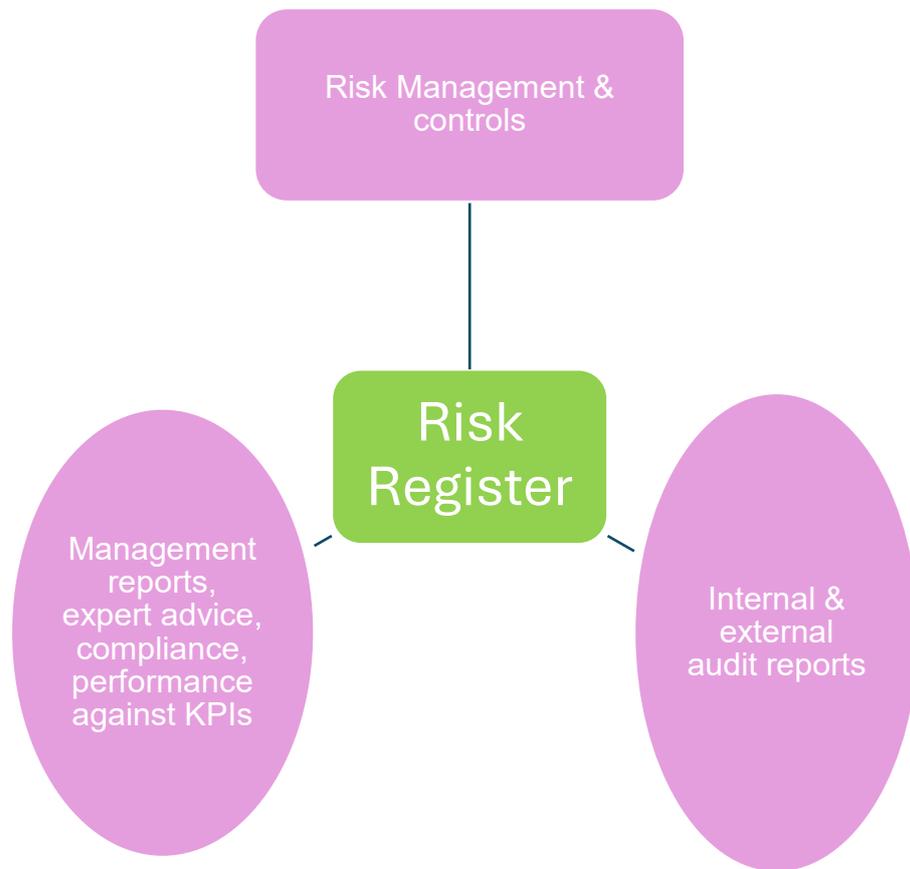
3.2 The system of internal control is a significant part of the framework and is designed to manage risk to an agreed levels of risk appetite. It cannot eliminate all risk of failure to achieve the Authority’s aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control identifies and prioritises risks; evaluates the likelihood of those risks being realised and the impact should they be realised; and aims to manage them efficiently, effectively and economically.

3.3 The Authority’s governance structure comprises:

- a. The National Park Authority, together with a committee structure of nine other committees and a continuous improvement group, monitor the effectiveness of risk management arrangements, review governance arrangements, review internal and external audit strategies, plans and reports and annual statement of accounts. The Audit and Corporate Services Review Committee has a key role to play.
- b. A senior leadership team, headed by the CEO, provides leadership on governance and provides clear direction to the staff and management team.
- c. A management team made up of senior managers and heads of services who provide governance, strategic management and decision-making on relevant issues within delegated powers.
- d. Information from various sources to inform governance arrangements.
- e. The Authority has adopted through its risk management policy a Three Lines Models of Assurance.



The three-line model of assurance comprise the following, integrated with the risk register:



These are discussed in more detail below:

Committee structure

1. National Park Authority (NPA)

- Provides the strategic leadership, political interface and governance framework. Responsible for strategic plans and policies and monitors achievement of those plans and arrangements.

2. Standards Committee

- Promotes high standards of ethical conduct, advising on the Code of Corporate Conduct and Conduct for Members.

3. Audit & Corporate Services Review Committee

- Provides review of effectiveness of the governance, risk management and internal control framework and oversees financial reporting.

4. Operational Review Committee

- Monitors the performance of the Authority and makes recommendations on its key policies and plans including strategic plans, development management, countryside & community vision.

5. Development Management Committee

- Responsible for the statutory planning functions, determination of applications, appeals and enforcement matters including safeguarding the landscape.

6. People Services Committee

- Reviews and makes recommendations on HR policies. Overview of staff recruitment, remuneration and development. Oversees the support and development of Authority members including induction, training and making recommendations to the NPA.

7. Grants Committee

- Responsible for advising and approving grant awards relating to sustainable development and other Grants awarded by the Authority which require the agreement of Members.

8. Investigating & Disciplinary Committee

- This considers and determines matters relating to the investigation and disciplinary of senior officers.

9. Grievance Committee

- Considers and determines matters raised from grievances by staff.

10. Appeals Committee

- Considers and determines matters relating to dismissals.

11. Continuous Improvement Group

- This group meets as and when required to review any aspects of the work programme and make recommendations.

Senior Leadership Team

Responsibility for governance and internal control lies with the Chief Executive and Directors who meet fortnightly to steer the organisation's activities. The senior leadership team provide leadership on governance and provide direction to the management team and staff. The performance of the Chief Executive is reviewed by Members through a Performance Review Panel.

Management Team

A Management Team made up of heads of service and senior managers meet fortnightly supporting the Authority to work efficiently and effectively. It ensures resources are allocated in line with corporate objectives and delivery plans. Discusses performance issues, risk management and governance matters.

Evidence sources to monitor effectiveness.

To monitor its effectiveness, the Authority considers evidence from the following sources. These include reports on performance monitoring, risk management, financial and operational matters and informs governance arrangements:

Function:	
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 and their reporting to the Authority. This work is undertaken by an external body. The terms of reference for internal audit require that work be conducted in accordance with standards as set out in the CIPFA Code of Practice for Internal Audit in Local Government. The internal auditors provide an audit opinion which is reported to the Authority.
National Park Officer	The Authority appoints a National Park Officer in accordance with the requirements of the Environment Act (1995) Schedule 7 clause 14 _Environment Act 1995 (legislation.gov.uk)
Section 151 Officer	The Authority engages an external Section 151 Officer. The role and responsibilities of the Section 151 Officer are detailed in the Local Government Act 1972 (legislation.gov.uk) . The Authority also complies with the CIPFA “Statement on the Role of the Chief Financial Officer in Local Government”.
Monitoring Officer	The Authority employs an independent Monitoring Officer under Section 5 of the Local Government and Housing Act

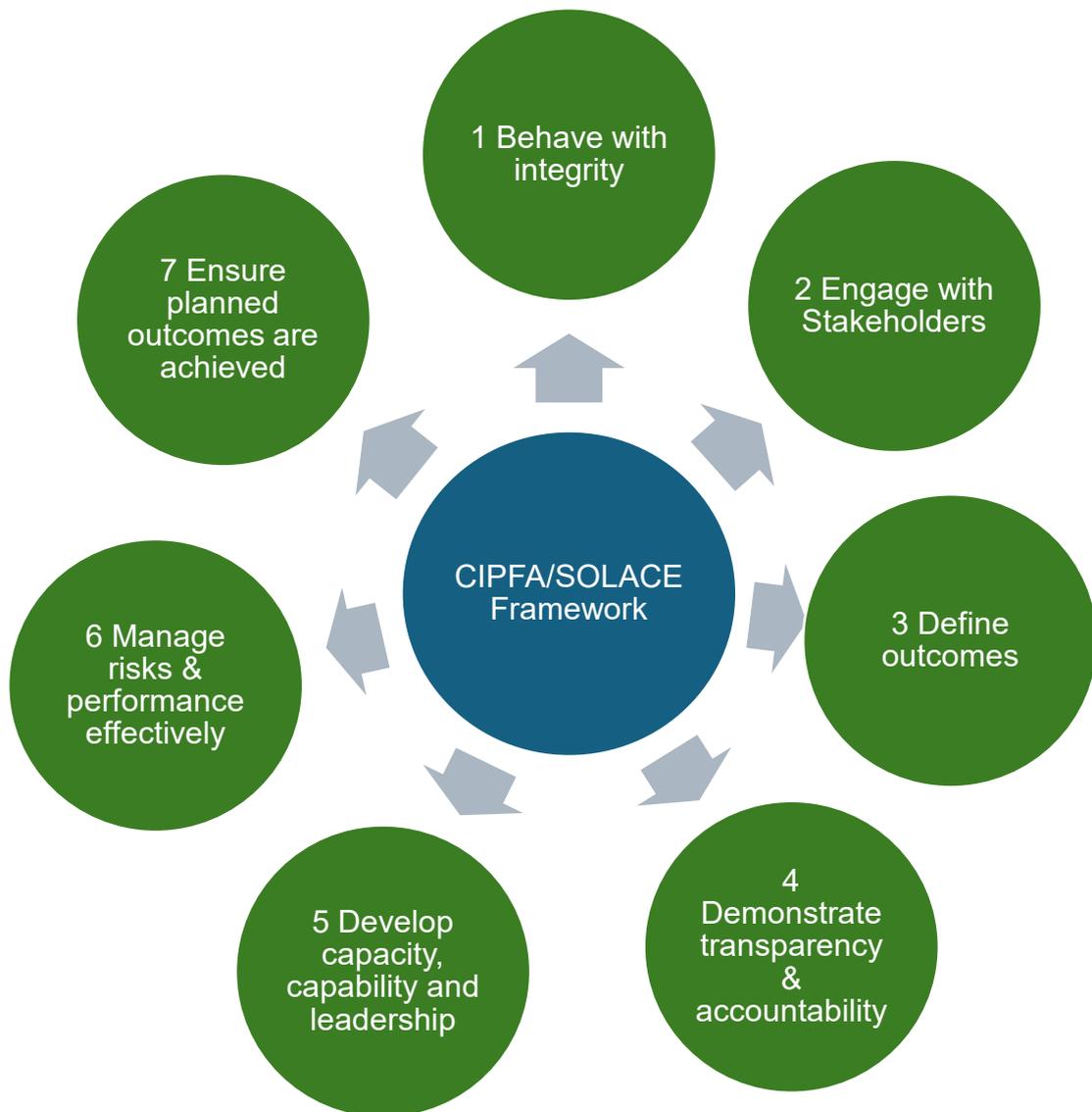
	1989 to report on the Authority's conduct and standards function.
Data Protection Officer	The Authority engages an external Data Protection Officer, a requirement for Public Bodies under the UK GDPR. The Data Protection Officer assists the Authority to monitor internal compliance, inform and advise on data protection obligations, support completion of Data Protection Impact Assessments and act as a contact point for data subjects and the Information Commissioner's Office.
External Auditors	Audit Wales act as the Authority's external auditors and comment on the financial accounts and performance in the annual audit letter. The Auditor General for Wales also carries out examinations to assess the extent to which the Authority has acted in accordance with the sustainable development principle under the Well-being of Future Generations (Wales) Act.
External Regulators	The Authority can be subject to review by external regulators including, but not limited to, the Well-being of Future Generations Commissioner, Welsh Language Commissioner, Information Commissioner, Health and Safety Executive, Equality and Human Rights Commission and Public Services Ombudsman Wales.

The Authority also considers the following evidence sources to monitor effectiveness and recommend improvements:

- Employee & Youth forums
- Customer feedback & complaints
- Consultations & project evaluations
- Anti-Fraud & Corruption, Whistleblowing & Safeguarding
- Expert advice & guidance
- Partnership plans & strategies

4. What are the Authority's Core Principles of Good Governance

The review of the effectiveness of the Authority systems of governance is undertaken in accordance with the following 7 CIPFA principles. The Authority is committed to delivering these principles and aims to demonstrate robust governance across reporting, monitoring, scrutiny and decision making across the organisation:



5. How the Authority Demonstrates its Core Principles of Good Governance

Principle 1: Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.	
The Park's Commitment to Good Governance	How the Park demonstrates these principles
Behaving with Integrity	<p>The Authority has in place statutory plans and objectives that provide a framework to inform and guide its work:</p> <ul style="list-style-type: none"> • The National Park Partnership Plan 2025-2029. A revised partnership plan was approved in 2024/25. The plan builds on previous plans, taking account of changes in legislation and policy, and incorporates learning from consultation and from ongoing conversation with partner organisations. • Local Development Plan 2. In 2024/25 the Authority commenced a review of LDP 2, the draft review report was presented to Members and approved for consultation on 11 December 2024. The review report was approved by Members at the 26 March 2025 NPA. • Corporate and Resources Plan and Well-being Objectives • Equality Plan and Objectives Authority reviewed and approved updated Equality Plan and Objectives in 2024/25. • Welsh Language Promotion Strategy. • Section 6 Biodiversity Signposting document <p>The Authority has in place the following documents that provide a framework to guide decision making and Officer and Member behaviour:</p> <ul style="list-style-type: none"> • Standing Orders • Members Code of Conduct • Members Planning Code of Conduct • Code of Corporate Governance

	<ul style="list-style-type: none"> • Financial Standards • Standing Orders relating to Contracting Procedures. During 2024/25 the Authority commissioned external review of these Orders to support updating them to take account of changes to UK procurement regulations. • Anti-Fraud and Bribery Policy • Employee Code of Conduct <p>During 2024/25 the Authority approved:</p> <ul style="list-style-type: none"> • Socially Responsible Procurement Strategy and Socially Responsible and Sustainable Procurement Policy. This will support the Authority to comply with expectations under the Socially Responsible Procurement Duty • Updated Asset Management Strategy and Policy <p>The Authority is committed to providing a high standard of service however recognises that at times things go wrong and that lessons are learnt from mistakes. It has in place the following to support the public and staff to raise any concerns or complaints:</p> <ul style="list-style-type: none"> • Complaints Handling Policy. A revised policy was approved by the National Park Authority on the 20/9/23. • Whistleblowing Policy. Management Team approved a revised policy in line with scheme of delegation in 2024/25.
<p>Demonstrating Strong Commitment to Ethical Values</p>	<p>The Standards Committee champion high standards of ethical governance from elected members and the Authority as a whole.</p> <p>The Authority was awarded the Advanced Charter for Member Support and Development in December 2021. A programme of training and workshop sessions are delivered during the year to Members. In 2024/25 Members also participated in training sessions delivered by Welsh Government on Effective Financial Governance, Governance of Risk and Sustainable and Ethical Governance.</p> <p>The Authority hosts the Inclusion, Diversity and Governance Excellence Strategic Lead for Welsh National Parks and Areas of Outstanding National Beauty. The Strategic Advisor has an action plan and implementation of this</p>

	<p>plan will have a positive impact on Authority’s governance, diversity and inclusion activities (including implementation of the Public Sector Equality Duties and Welsh Specific Duties.)</p> <p>The Authority has in place Equity, Diversity and Inclusion, Welsh Language, Environmental, Socially Responsible and Sustainable Procurement and Safeguarding policies to help promote and implement ethical values in its work:</p> <p>The Authority has developed mechanisms to support it to embed a range of public sector related duties in practice:</p> <ul style="list-style-type: none"> • Each of the Authority’s Delivery Plans set out how they will be implemented to support cross cutting outcomes. • Integrated Assessment Process which informs both plan development and decision making. In 2024/25 an updated trigger and guidance document was developed to support officers with this process. • Staff are required to complete safeguarding and equality training. • The Section 6 Biodiversity duty has informed priority action within our Nature Recovery Delivery Plan – “Nature Recovery informing how we operate: Embedding nature recovery in how we operate with focus on access and heritage.” • Authority approved Socially Responsible Procurement Strategy in 2024/25.
Respecting the Rule of Law	<p>The Authority employs a monitoring officer to ensure that Authority decisions are taken in a lawful and fair manner, that correct procedures are followed and that all applicable laws and regulations are complied with. Where necessary, legal advice is sought to inform decision making.</p> <p>The Authority engages a S151 officer who has statutory reporting duties in respect of unlawful and financially imprudent decision making.</p> <p>The Authority ensures that it complies with CIPFA’s Statement on the Role of the Chief Finance Officer in Local Government (2016).</p> <p>Key policies are in place to prevent and minimise the risk of fraud and include Whistleblowing, Anti-Fraud & Bribery and Money Laundering Policies.</p>

	<p>The Authority has financial regulations and contract procedure rules in place to help prevent and investigate any irregularity.</p> <p>Key policies are in place to minimise risks in compliance areas such as health and safety, safeguarding, cyber security, data protection, equality, sustainability and Welsh language standards. Staff are also required to complete training across compliance areas.</p>
--	--

Principle 2: Ensuring openness and comprehensive stakeholder engagement.

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Ensuring openness	<p>Authority and Committee meetings are held in public and live-streamed online (other than in limited circumstances where consideration of confidential or exempt information means that the public are excluded), with agenda, reports and confirmed minutes available on the Authority's website. This includes performance reports that are provided to the Operational Review Committee and Audit and Corporate Services Review Committee. Annual Reports are published on the Authority's website. Members of the public may speak at Development Management Committee when approved to do so in respect of an application.</p> <p>The Authority provides responses to Freedom of Information, Environmental Information and Subject Access requests and has in place a publication scheme. In 2024/25 the Authority initiated work to update its publication scheme.</p>

	<p>The Authority's website provides information about the Authority's plans, activities and meetings. The Authority issues regular press releases raising awareness of activities and their impact, with information shared across social media. The Authority distributes Coast to Coast to support wider engagement and understanding of the Park. Officers regularly attend community events and carry out outreach activities.</p> <p>The Authority has a complaints handling policy and processes in place to deal with issues arising - Service Standards - Pembrokeshire Coast National Park.</p> <p>The Authority submits quarterly planning performance statistics to the Welsh Government for benchmarking purposes against other Local Authorities. This information is published on the Welsh Government's website. The Authority did experience difficulties with provision of this data during 2024/25 following upgrade to planning system. However, this issue was resolved by the end of the year.</p> <p>The Authority conducts evaluation activities for externally funded projects.</p> <p>The commitment to openness is also shown through staff and volunteer engagement and information sharing:</p> <ul style="list-style-type: none"> • Staff Representative Forum • Internal communications such as the monthly staff newsletter • Staff Meetings, where staff are given an opportunity to engage with and ask questions to senior managers. • Minutes from Management Team meetings, Health and Safety Group and Asset Management Group are published on the staff intranet. • Trade Union involvement in the Pay and Grading Review exercise
<p>Comprehensive Stakeholder & Community Engagement</p>	<p>The Authority seeks to engage with local people and stakeholders through a range of consultations. Stakeholders are invited contribute views prior to developing and implementing key changes. Examples from 2024/25 include:</p> <ul style="list-style-type: none"> • Building on Special Qualities consultation in 2024, further formal consultation carried out on draft Partnership Plan (National Park Management Plan). Following feedback from the consultation a meeting was held with some of the key identified leads and delivery partners.

- Consultation on draft Equality Plan and Objectives
- Consultation on LDP2 Review Report
- Consultation activities on Cresswell Quay Conservation Area and Management Plan
- Consultation activities in relation to Proposed Article 4 (1) Direction for 28-day use of land for camping, caravans and /or mobile homes.

The Authority has in place a volunteer forum and [Youth Committee](#). The Youth Committee have developed the [Pembrokeshire Coast National Park Next Generation Youth Manifesto](#).

The Authority's [Roots to Recovery project with MIND Pembrokeshire](#) which focuses on the restorative powers of Pembrokeshire's amazing outdoors is an example of a participant led project, where beneficiaries of the project play a central role in shaping what the project delivers.

The Authority's Engagement and Inclusion Team have carried out a Stakeholder Mapping Exercise and have also developed a survey for volunteers and project participants.

Rangers Team have been involved in the Pembrokeshire Services Board Well-being Planning Workshops for St Davids and Crymych run by Together for Change.

Officers worked closely with local community in developing Oriel y Parc's "Courage and Community – RNLI 200 Cymru" exhibition.

The Authority works with a number of third parties and external bodies to develop plans and deliver cohesive services. These include and not limited to:

- Welsh Government
- Pembrokeshire County Council
- Natural Resources Wales
- Carmarthenshire County Council
- UK National Parks & National Parks Wales

	<ul style="list-style-type: none"> • Local Access Forum • Tirweddau Cymru/ Landscape Wales • Pembrokeshire Public Service Board • Visit Pembrokeshire • Corporate Joint Committee for Southwest Wales • Pembrokeshire Coast National Park Trust • Town & Community Councils • Third sector organisations such as Pembrokeshire Coastal Forum <p>The Authority enters into partnership agreements to deliver projects and outcomes and works cooperatively to deliver those outcomes.</p>
--	--

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

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Defining outcomes	<p>Authority outcomes are defined by the following strategic plans:</p> <ul style="list-style-type: none"> • The National Park Partnership Plan 2025-2029. A revised partnership plan was approved in 2024/25. The plan builds on previous plans, taking account of changes in legislation and policy, and incorporates learning from consultation and from ongoing conversation with partner organisations. • Local Development Plan 2. In 2024/25 the Authority commenced a review of LDP 2, the draft review report was presented to Members and approved for consultation on 11 December 2024. The review report was approved by Members at the 26 March 2025 NPA. • Authority high level strategy • Corporate and Resources Plan and Well-being Objectives

	<ul style="list-style-type: none"> • Equality Plan and Objectives. Authority reviewed and approved updated Equality Plan and Objectives in 2024/25. • Welsh Language Promotion Strategy. • Section 6 Biodiversity Signposting document <p>These outcomes are informed by:</p> <ul style="list-style-type: none"> • Partnership Plans such as the Pembrokeshire Well-being Plan, Pembrokeshire Nature Recovery Plan, Rights of Way Improvement Plan and Pembrokeshire Destination Management Plan • Welsh Government term of government remit letter for the National Park Authorities • Welsh Government Biodiversity Deep Dive and decarbonisation related strategies • Welsh Government related Equality Plans • National Milestones and Indicators for Wales • Planning Policy Wales • South West Wales Area Statement, Marine Area Statement and State of Natural Resources for Wales report • Introduction of new duties – Socio Economic Duty under Equality Act, Socially Responsible Procurement Duty <p>Progress against Outcomes are measured through annual reports, impact case studies, performance reports and other supplementary reports provided to relevant Committees.</p>
Sustainable economic, social & environmental benefits	<p>Both the National Park Management Plan and Local Development Plan 2 were subject to sustainability appraisals.</p> <p>The Authority uses integrated assessments, a multi-purpose tool to identify and inform decision making.</p> <p>The Authority's operational activities are informed by its Well-being Objectives set out in the Corporate and Resources Plan. The Well-being Objectives and steps to implement them support the Authority to meet the sustainable development principles under the Well-being of Future Generations (Wales) Act:</p>

- **Long Term:** The world is facing a nature and climate emergency; lack of action now will have long term consequences for future generations and the Park. Supporting action to address these challenges is at the heart of our Well-being Objectives.
- **Prevention:** All our Well-being Objectives are focused on delivering interventions that will look to prevent problems occurring or getting worse across the National Park Area.
- **Integration:** Our Well-being Objectives can only be achieved by taking a strategic and integrated approach with partners. Our delivery plans support an integrated approach maximising cross cutting impacts across our Well-being Objectives.
- **Collaboration:** We have placed collaboration at the heart of all our Well-being Objectives and delivery plans. From experience we know that positive change can only be achieved through working together with others.
- **Involvement:** Our Well-being Objectives can only be achieved by proactively involving and listening to people. Engagement will be used to ensure we develop the right interventions to break down barriers to support a more diverse range of people to act for nature or experience the outdoors and wonders of the Park.

Authority has in place an Equality Plan and Objective, Welsh Language Strategy and a Section 6 Biodiversity Signposting document.

The Authority approved Socially Responsible Procurement Strategy and Asset Management Strategy in 2024/25.

The Authority through its annual budget process ensures that financial resources are directed to the Authorities priorities and help develop a 3–5-year medium term plan.

The Authority has Member representation on the [Corporate Joint Committee for Southwest Wales](#). The Committee will improve the regional planning, co-ordination and delivery of transport, land use planning, economic development and energy.

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

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Determining & planning interventions	<p>The Authority's strategies are informed by consultations and a range of assessments.</p> <p>The Authority has in place an integrated assessment process, which helps identify positive and negative impacts and where mitigating actions are needed. Nine integrated assessments were carried out in 2024/25.</p> <p>A performance reporting management system to monitor performance is in place which highlights progress and achievement against deliverables. The system has a dashboard function to provide quick visual overview of performance in different areas. Performance information is reported to Audit and Corporate Services Review Committee and Operational Review Committee for Members to consider. Quarterly summary performance reports are now provided to Management Team.</p> <p>The Authority's Risk Management Policy sets out the process to identify and control areas of uncertainty which may impact on the achievement of outcomes. This includes a risk appetite policy.</p> <p>Budget workshops are held with Members to discuss annual and medium-term financial planning. The budget planning process ensures budgets are prepared in accordance with objectives and strategies. Financial performance is reported regularly to the Audit and Corporate Services Review Committee.</p> <p>The Authority completes Data Protection Impact Assessments to help identify and minimise the data protection risks of projects and activities.</p> <p>Monitoring of incidents, workforce and budgets through the governance structures ensures that issues are identified and appropriate interventions agreed.</p>

	<p>The Authority carries out surveys of the effectiveness of its service delivery through customer satisfaction surveys, performance against quality standards and by monitoring formal complaints.</p> <p>The Senior Leadership Team provides governance, strategic management and decision-making on relevant issues and within delegated powers. It receives minutes and decides upon recommendations/ issues referred to it by Health and Safety Group, Asset Management Group, Staff Representative Group, Retail Group and Safeguarding Group.</p>
<p>Optimising achievement of intended outcomes</p>	<p>The Authority integrates and balances priorities, affordability and other resource constraints through the budget setting process. This helps identify the full cost of operations over the medium and longer term, including both revenue and capital spend budgets and the resources needed. This includes a medium-term financial plan.</p> <p>The Authority has in place delivery plans 2023/24-26/27 which set out priority actions and deliverables, guided by its high-level strategy, Well-being Objectives and budgetary constraints. These plans are reviewed annually to assess whether any changes are needed to the deliverables in advance of the new financial year.</p>

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

Commitment to Good Governance	
Developing the organisation’s capacity	<p>During 2022-23 the Authority undertook a process of restructuring to increase leadership capacity and identify clear lines of accountability. The Authority has been working on further embedding this new structure during the year.</p> <p>A review of the Countryside Team was also undertaken in 2024/25.</p> <p>The Authority has embedded the Health and Safety function within the HR team to help develop and strengthen the Authority’s approach to Health and Safety.</p> <p>The Authority hosts the Inclusion, Diversity and Governance Excellence Strategic Lead for Welsh National Parks and Areas of Outstanding National Beauty. This role provides additional support to the Authority in areas of inclusion and governance.</p>
Developing the capability of the Organisation’s leadership & other individuals	<p>Members receive a full programme of induction to introduce them to their role and responsibilities, the codes of conduct as well as the remit of the National Park Authorities and how they operate within the Governance of Wales.</p> <p>The People Services Committee meet on a quarterly basis. The Authority ensures that all barriers to training are removed to encourage inclusivity. The committee reviews progress against the training plan which is updated annually. The Authority was awarded the Advanced Charter for Member Support and Development in December 2021. A programme of training and workshop sessions are delivered during the year to Members. In 2024/25</p>

	<p>Members also participated in training sessions delivered by Welsh Government on Effective Financial Governance, Governance of Risk and Sustainable and Ethical Governance.</p> <p>Mandatory online training is in place for staff on data protection, health & safety, cyber security, equality and safeguarding.</p> <p>Other learning and development needs are identified through the annual performance review cycle. This informs the organisational development plan and individual training needs.</p> <p>Professional Development Programmes are utilised through Pembrokeshire County Council and Academy Wales.</p> <p>Staff who are members of professional bodies are required to undertake relevant continual professional development.</p> <p>The Authority is committed to promoting the physical, mental health and wellbeing of the workforce. This is achieved through an employee assistance programme, HR policies, availability of flexible and hybrid working as well as referral to occupational health and other health benefits.</p>
--	--

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

Governance	
Managing risk	<p>The Authority operates a risk management framework that aids decision making in pursuit of the organisation’s strategic objectives, protects the Authority’s reputation and other assets and is compliant with statutory and regulatory obligations. The Corporate Risk Register is part of this framework and summarises the key risks. It is used to inform decision making, provide assurance over actions being taken to manage key risks and to inform management planning and mitigation activities. Named risk managers are identified in the Register for its key strategic risks.</p> <p>During the year internal audit carried out a Risk Maturity follow up, several recommendations were made as part of this audit and work is being undertaken to implement them, this includes update to Risk Objectives, strategy, gathering data from assurance sources and producing further guidance for staff.</p> <p>Key registers are in place to record members’ and officer’s personal and business interests as well as a register of gifts and hospitality. These aim to avoid issues of conflict of interests in conducting Authority affairs.</p> <p>Business continuity arrangements are in place to ensure services can continue to be delivered in the event of interruption. Business continuity and disaster recovery plans are in place. A business continuity exercise was carried out in 2024/25.</p> <p>The Authority has in place a Health and Safety Group, on which Members of Management Team sit and this group helps embed and monitor health and safety practices across the Authority. Health and safety risk assessments are in place to help mitigate risks. A Risk Assessment Management Plan procedure is in place to help support updating and record management of risk assessments.</p>

	<p>Data Protection Impact Assessments are completed as required to minimise data protection risks. Twelve data protection impact assessments were completed in 2024/25, reflecting the introduction of a number of new systems by the Authority during the year,</p>
<p>Managing performance</p>	<p>The Authority has a performance reporting management system in place to ensure that a robust system of performance information is produced to highlight the impact of the work undertaken by the Authority. The system has a dashboard function to provide quick visual overview of performance in different areas.</p> <p>The Authority developed a new performance framework during 2023/24 with a new set of performance reports for Committees. The following reports were presented to relevant Committees and NPA in 2024/25:</p> <ul style="list-style-type: none"> • Well-being Objectives Performance Report – Progress against Priority Indicators/ Projects/ Work Programmes • Assurance Monitoring Report – Compliance, Public and Statutory Duties and Corporate Improvement (including Planning Performance) • Partnership Framework Monitoring Report <p>Staff routinely submit case studies which provide wider insight into the impact of the Authority’s work.</p> <p>Annual reports are published on the Authority’s website, including:</p> <ul style="list-style-type: none"> • Annual Report on Meeting Well-being Objectives • Welsh Language Standards Annual Report • Local Development Plan 2 Annual Monitoring Report • Annual Equality Report <p>The Authority submits quarterly planning performance statistics to Welsh Government, this enables the Authority’s performance to be benchmarked against other planning Authority’s. The Authority did experience difficulties with provision of this data during 2024/25 following upgrade to planning system. However, this issue was resolved by the end of the year.</p> <p>The Authority submits its annual carbon emissions to Welsh Government as part of Public Sector Net Zero reporting requirements.</p>

	<p>The Authority considers recommendations from both local and national performance work of Audit Wales.</p>
<p>Robust internal control</p>	<p>The Authority has robust internal control processes in place, which support the achievement of its objectives while managing risks. The Authority’s approach is set in the risk management policy, register and internal audit plan.</p> <p>The Authority has an Audit and Corporate Services Review Committee which provides an independent and high-level resource to support good governance and strong public financial management. The Committee provides a mechanism for effective assurance regarding risk management and the internal control environment.</p> <p>Recommendations for improvement made by the Internal Auditors are agreed and monitored.</p> <p>The Authority maintains clear policies and arrangements in respect of counter fraud and anti-corruption. These are the Anti-Fraud and Bribery Policy, Whistleblowing Policy & Anti Money Laundering Policy.</p> <p>The Monitoring Officer ensures compliance with established policies, procedures laws and regulations.</p> <p>The Data Protection Officer provides governance and oversight activities in terms of Data Protection. An updated retention schedule and Record Management and Retention policy were put in place in 2024/25.</p> <p>Staff are required to complete mandatory training on data protection, cyber security, health and safety, safeguarding and equality.</p> <p>Internal groups are in operation for Health and Safety and Safeguarding. The Chief Executive sits on both groups.</p> <p>The Authority has in place a scheme of delegation for planning and other matters. An updated scheme of delegation was approved by Members at the 23/10/24 NPA.</p>

<p>Strong public financial management</p>	<p>The Authority’s approach to Financial Management ensures that public money is always safeguarded, ensuring value for money. Its approach supports both long-term achievement of objectives, and shorter term financial and operational performance. The Head of Finance ensures that appropriate advice is given on all financial matters, proper financial records and accounts are kept and oversees an effective system of internal financial control. The Authority has financial regulations and contract standing orders in place which underpin the financial arrangements. The Financial Management Code (FM Code) sets out the standards of financial management and is adopted by the Authority.</p> <p>The S151 officer has statutory reporting duties in respect of unlawful and financially imprudent decision making.</p> <p>Senior managers and budget holders are provided with monthly reports on financial and budget performance. This supports financial management, the delivery of services and promotes good stewardship.</p> <p>Budget workshops are held for Members to discuss annual and medium-term financial planning. A draft Budget Planning report is presented to the National Park Authority every year.</p> <p>Budget Performance Reports are provided to the Audit and Corporate Services Review Committee.</p> <p>The Annual Statements of Accounts and its performance against key areas of risk are subject to scrutiny by external auditors. Audit Wales passes an opinion on its review of the Authority’s performance and Statements of Accounts which is recorded in the AWO Improvement Assessment Letter and the ISA 260 report.</p> <p>The Authority established an income diversification group made up of members and officers. This group met on a regular basis during 2024/25.</p>
---	--

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

The Park's Commitment to Good Governance	How the Park demonstrates these principles
Implementing good practice in transparency & reporting	<p>Strategic plans are subject to Authority approval and are published on its Website.</p> <p>All Authority and Committee meetings, agendas and papers are available to the public via the Authority's website and live streamed online, unless explicit resolution not to do so for reasons of overriding commercial or other personal confidentiality.</p> <p>Annual Reports are presented to the Authority for approval and are published on the its website. Where appropriate, Annual Reports are shared with Welsh Government, Audit Wales and the Office of Future Generations Commissioner for Wales.</p> <p>The Annual Governance Statement provides transparency on governance arrangements and its effectiveness and identifies planned improvements.</p> <p>Members of the public may speak at Development Management Committee when approved to do so in respect of an application.</p> <p>The Authority's performance reporting management system ensures that a robust system of performance monitoring is in place and enables effective performance reporting to the Operational Review Committee and Audit and Corporate Services Review Committee.</p>

	Officers initiated a review of its publication scheme in 2024/25.
Assurance to deliver effective accountability.	<p>Member scrutiny via Committees is key in delivering effective accountability.</p> <p>Internal audit arrangements provide assurance that key risks are managed and that a sound system of internal control is in place.</p> <p>External audit (Audit Wales) provides assurance that performance is managed and that the use of public money is safeguarded. The Auditors opinion on the Statement of Accounts is published on the Authority website as well as Audit Wales. The Authority acts on recommendations and, where necessary, takes corrective action.</p> <p>Recommendations from inspection & regulatory bodies, where relevant, including good practice and any lessons learned are implemented and monitored.</p> <p>Members are required to declare and record all relevant interests in accordance with the Code of Conduct. These are noted in committee minutes on each occasion where they are relevant to the business at hand. Any related transactions and conflict of interest can thereby be identified and appropriately managed.</p>

6. Governance Improvement Actions from 2024-2025

The Authority has a legal responsibility to conduct an annual review of the effectiveness of its governance framework, including the systems of internal control. After conducting this review, the Authority has assurance that its governance arrangements and systems of control are robust and reflect the principles of the Code of Corporate Governance.

The Annual Governance and improvement assessment 2023-24 contained the following improvement actions. This is how they have been addressed during 2024-25:

Improvement Area	Planned Action	Forum/ Committee	Responsibility	Target date	Status / Progress Commentary
Procurement processes / Socially Responsible Procurement	Review of procurement approach and processes to take account of legal changes at Welsh and UK Government level and challenges of decarbonisation.	National Park Authority	Chief Executive, Monitoring Officer, Head of Finance and Fundraising and Head of Decarbonisation	March 2025	Partially implemented – Socially Responsible Procurement Strategy and Policy approved. Work initiated with external consultants on review of Standing Orders for Contracting Procedures.
Budgetary Planning	Strengthen the budgetary planning process through departmental consultation. Encourage financial resilience and develop greater agility to respond to economic and funding challenges.	National Park Authority	Chief Executive and Head Finance and Fundraising	January 2025	Fully implemented
Equality, diversity and inclusion	Approval and publication of revised Equality Plan and Objectives.	National Park Authority.	Performance and Compliance Officer. Head of People Services. Head	December 2024	Fully implemented – New plan approved at February NPA and plan published on website in March. Slight delay

			of Engagement and Inclusion.		due to creation of Easy Read version for consultation.
Staff development	Continue to develop the capability of our workforce to support the delivery of our corporate plan including updating and reviewing our HR policies and embedding the Authority's new organisational structure as implemented in 2022-23. A detailed assessment of its operational training is planned.	HR Committee	Chief Executive and Head of People Services	March 2025	Partially implemented - We are systematically reviewing and updating HR Policies and Procedures in line with best HR practice and legislation. Using the annual staff wellbeing and development reviews we are identifying training and responding to training and development needs that accord with the organisation's priorities. A comprehensive overarching training and development plan linked to job descriptions and person specifications is in progress.
Pay and Grading Review	Complete and review outcome of Pay and Grading Review	HR Committee	Head of People Services	September 2024	Fully implemented
Health and Safety – Risk Assessments	Review and update of Risk Assessments to new template following recommendation from Internal Audit	Audit and Corporate Services Review Committee	Management Team. Team Leaders. Health and Safety Project Officer.	March 2025	Fully implemented – Risk Assessments moved to new template and new document management process in place
Improve record management	Continue implementation of Microsoft 365 across the	Audit and Corporate Services	Record Management Group.	March 2027 (Long	Partially implemented – Retention schedule in place and NPA

processes and practices	organisation, including exploring functionality opportunities for Sharepoint alongside implementing improved record management processes and practices. Implement agreed actions following internal audit review of Information, Cyber Security and Data Protection.	Review Committee	Management Team. Team Leaders.	Term Project)	approved Record Management and Retention Policy. Some new process in place using Microsoft 365. Activity to restructure F Drive underway. Activities initiated in support of completing internal audit actions.
Review of Corporate Policies	Continue activities to support delivery of Corporate Improvement Project on management and communication of Corporate Policies and Standards, with transition to standard formats	Audit and Corporate Services Review	Policy area leads within Management Team. Performance and Compliance Officer.	March 2025	Partially Implemented – Significant number of policies reviewed in 2024/25. Tracker document in development to support next steps with clear forward work programme.
ICT Policies	Approval of new ICT User Policy and Information and Data Security Policy	National Park Authority	Head of Decarbonisation	September 2024.	Fully Implemented – Policies approved at 1/5/24 NPA
Review of Governance	Implement agreed recommendations from Audit Wales review of Governance.	National Park Authority /Audit and Corporate Services Review Committee	CEO. Head of People Services. Democratic Services Manager.	March 2025	Partially Implemented: Welsh Government have now completed delivery of a programme of training and have worked with the Welsh National Park Authorities to

					develop a Governance Handbook which was published in February 2025. Work has now commenced looking at an accountability framework / performance protocol for NPA Members
--	--	--	--	--	--

7. Governance Improvement Action Plan 2025-2026

The actions planned for 2025-26 are summarised in the table below and identify the current key weaknesses of the Authority's governance arrangements which have been highlighted through its annual review. Progress will be reported to the Audit & Corporate Services Review Committee as illustrated above and monitored by the Senior Leadership Team. Progress against actions is monitored on the Authority's Performance Reporting System.

Improvement Area	Planned Action	Forum/ Committee	Responsibility	Target date	Status
Procurement processes to update to reflect Procurement Act 2023.	Agree new procurement Contract Standing Orders to reflect changes in legislation	National Park Authority	Head of Finance and Fundraising	July 2025	Partially Implemented – Revised Contract Standing Orders completed - for approval in July 2025 NPA. Training plan initiated for staff on procurement changes & processes.
Improved Budgetary Planning process to be implemented to accelerate budget setting with	Work across the Authority to set a balanced budget, making best use of reserves and funding received from Welsh	National Park Authority, Audit and Corporate Services Review Committee	Chief Executive, S151 Officer, Head of Finance and Fundraising, Management Team	February 2026	Partially implemented with introduction of budgetary software to improve process and minimise errors.

opportunity for review	Government and other sources.				
Improve record management processes and practices	Work to re-structure the F Drive and where appropriate migrate documents to Teams/ SharePoint. Activity to update records of processing.	Audit and Corporate Services Review Committee	Record Management Group, Management Team and Team Leaders	March 2026	Partially implemented – Retention schedule in place and NPA approved Record Management and Retention Policy. Some new process in place using Microsoft 365. Work to be further progressed in 2025/26.
Review of Corporate policies against forward work programme/ tracker document.	Review of Corporate Policies against forward work programme/ tracker document.	Audit and Corporate Services Review Committee	Policy area leads within Management Team. Performance and Compliance Officer.	March 2026	Partially Implemented – Significant number of policies reviewed in 2024/25. Tracker document in development to support next steps with clear forward work programme.
Review of Governance	Implement the recommendations of the Welsh Government Review of Member Evaluation	National Park Authority and Audit and Corporate Services Review Committee	Chair, Members, Head of People Services, Democratic Services Manager	March 2026	In progress
Cyber Security	Review existing arrangements and implement recommendations; update legacy hardware; raise	Audit and Corporate Services Review Committee	Head of Decarbonisation; IT Team Leader	March 2026	Partially implemented

	awareness with staff and members through training. Undertake “Cyber Essentials” Review				
Finance system implementation and reporting. Update financial standards & procedures to reflect changes.	Review financial standards & processes. Ensure revised and/or new reports in place for effective financial monitoring. Ensure new finance system working effectively.	Audit and Corporate Services Review Committee	Head of Finance & Fundraising	December 2025	In progress
Workforce and People	Development of Establishment and Workforce Plan	Audit and Corporate Services Review Committee	Head of People	March 2027	Work to be initiated in 2025/26.
Risk Management	Implement recommendations from Internal Audit Risk Maturity Follow Up	Audit and Corporate Services Review Committee	CEO	September 2026	In progress
Staff development & training	Continue to develop the capability of our workforce to support the delivery of our corporate plan including updating and reviewing our HR policies. A detailed assessment of its operational training is in progress.	HR Committee	Chief Executive and Head of People Services	March 2026	Partially implemented - We are systematically reviewing and updating HR Policies and Procedures in line with best HR practice and legislation. A comprehensive overarching training and development plan is in progress.

8. Governance Opinion & Conclusion

The Authority recognises that good governance provides the foundation for the delivery of good quality services that meets the needs of stakeholders and ensures that public money is well spent.

The Authority is satisfied that appropriate governance arrangements are in place and is committed to:

- Continual improvement through the implementation of the action plan for 2025-2026.
- Continual review and monitoring of its governance effectiveness.
- Commitment to adhering to the CIPFA/SOLACE code of corporate governance in local government.

Signed:**Madeleine Harvard, Chair**

Signed: **Tegryn Jones, Chief Executive**



Cwm Mawr, Penycwm, Haverfordwest



Wildflower meadow