

**REPORT OF FINANCE MANAGER**

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**SUBJECT:**  
**DRAFT STATEMENT OF ACCOUNTS 2018/19**

Background:

This report accompanies the Draft Statement of Accounts 2018/19. They are for information purposes only and Members are requested to note the contents. .

**RECOMMENDATION: To note the Draft Statement of Accounts 2018/19.**

Background documents

Draft Statement of Accounts

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**Pembrokeshire Coast  
National Park Authority**



*Helping you understand  
The Authority's income and expenditure*

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**STATEMENT OF ACCOUNTS  
2018/19**

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## **STATEMENT OF ACCOUNTS**

*the statutory information*

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# STATEMENT OF ACCOUNTS

## 2018/19

### NARRATIVE REPORT & SUMMARISED ACCOUNTS

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#### INTRODUCTION

1. Under the provisions of Section 63 of the Environment Act 1995, and the National Park Authorities (Wales) Order 1995, the Secretary of State for Wales established the Pembrokeshire Coast National Park Authority on 23<sup>rd</sup> November 1995. From 1 April 1996, the National Park ceased to be managed as a committee of Dyfed County Council and became a free-standing, special purpose local authority. Article 17(1) of the Local Government Reorganisation (Wales) (Property etc.) Order 1996 had the general effect of vesting in the new National Park Authority the property rights and liabilities (but not any loan debt) of the former County Council, as it related to the National Park area.
2. The Statement of Accounts is a publication required by law that gives local taxpayers, members of the Authority and other stakeholders clear information about the financial performance and position of Pembrokeshire Coast National Park Authority, in order to facilitate an assessment of the stewardship of public funds and for making economic decisions.
3. This Narrative Report provides an easily understandable guide to the most significant matters reported in the Statement of Accounts. A simplified summarised revenue account is presented, along with supporting information, to clearly demonstrate the cost of services and how these costs are funded. Wherever possible technical terms have been avoided in this Narrative Report.

#### EXPENDITURE & FUNDING

4. Each year the National Park Authority is required to submit a bid to the Welsh Government for its funding for the following year. The bid is submitted as a combined Welsh National Parks' Grant Bid document and following consultation with Natural Resources Wales, the Welsh Government determines the National Park Grant for the forthcoming year.
5. 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 75% of the Authority's core grant funding, with the remaining 25% represented by the Levy. The net revenue budget accounts for income generated locally by the National Park Authority, for example through car park charges and planning fees, and from other service specific grants, for example for the maintenance of the Coast Path (National Trail). Any balance above or below the approved net budget is managed via the Authority's revenue reserves.

6. In 2018/19 the Authority's funding for revenue expenditure, (that is, day to day operational activities) was £7,741k, and a capital program spend of £391k. We set out in the following paragraphs information about the sources of funding and what it has been spent on.

(a) **Where the money came from:-**

<b>REVENUE BUDGET</b>	<b>2018/19 £ 000</b>	<b>2018/19 %</b>	<b>2017/18 £ 000</b>	<b>2017/18 %</b>
National Park Grant, from the Welsh Government:	2,954	38%	2,955	38%
National Park Levy, against Pembrokeshire County Council:	933	13%	985	13%
Locally Generated Income (through fees and charges):	1,644	21%	1,695	22%
Service/Project Specific Revenue Grants:	1,553	20%	1,492	19%
Earmarked/General Reserves:	657	8%	584	8%
<b>TOTAL REVENUE FUNDING</b>	<b>7,741</b>	<b>100%</b>	<b>7,711</b>	<b>100%</b>

<b>CAPITAL BUDGET</b>	<b>2018/19 £ 000</b>	<b>2017/18 £ 000</b>
Project Specific Capital Grants:	46	-
Use of capital receipts	258	18
<b>CAPITAL FUNDING</b>	<b>304</b>	<b>18</b>
Plus, funding from the revenue budget (included above)	87	156
<b>TOTAL CAPITAL BUDGET</b>	<b>391</b>	<b>174</b>

The Authority's income and expenditure is split for accounting purposes between revenue funds and capital funds in accordance with local authority accounting practice. The Authority is able to use some of its revenue funding to contribute to capital projects, but it cannot use capital grants to contribute to revenue expenditure.

The Authority's overall revenue funding increased by 0.4% in 2018/19 and for every £1 provided by the National Park Grant and Levy in the year, the Authority generated a further 99p from other sources (2017/18=81p).

Locally Generated Income consisted of:

<b>LOCALLY GENERATED INCOME</b>	<b>2018/19 £000's</b>	<b>2017/18 £000's</b>	<b>% Change</b>
Merchandise Sales and Income from Information Centres	289	289	0%
Car park charges and concessions income	470	470	0%
Admissions fees and Activities & Events	269	287	-6%
Advertising income	75	72	4%
Planning fees	253	283	-11%
Timber sales	25	28	-12%
Other : property income & contributions	158	185	-15%
Income from investment properties	74	62	19%
Investment income (spare cash invested)	31	19	63%
<b>TOTAL LOCAL INCOME</b>	<b>1,644</b>	<b>1,695</b>	<b>-3%</b>

The Authority is enormously grateful to all the organisations that support its work through providing revenue and capital funding. Further information on revenue grants and a breakdown of capital grants provided can be found in the Statement of Accounts.

(b) **What the money was spent on:-**

<b>REVENUE BUDGET</b>	<b>2018/19 £000</b>	<b>2018/19 %</b>	<b>2017/18 £000</b>	<b>2017/18 %</b>
Employees	3,696	47%	3,659	48%
Premises related	662	9%	769	9%
Transport & Travel	198	3%	179	2%
Supplies, Services and Grants	1,666	22%	1,391	19%
Transfers to Earmarked Reserves	1,430	18%	1,489	19%
Contribution to capital projects	86	1%	156	2%
Financing charges	1	0%	1	0%
Increase/ (decrease) in General Reserves	2	0%	67	1%
<b>TOTAL REVENUE COST</b>	<b>7,741</b>	<b>100%</b>	<b>7,711</b>	<b>100%</b>

## 7. Revenue Budget

The Authority manages its revenue budget on a “net” budget basis. This means that locally generated income and specific grants are allocated to individual budget headings and are offset against the expenditure against those headings to arrive at the net budget.

The net budget for each service also includes a “capital charge”. This is based on the assets used by services and is made up of a charge for depreciation (being the value of assets used-up by a service during the year). The capital charges are reversed out of the accounts, as they are non-cash adjustments - that is, they balance to nil and do not need any cash funding.

Similarly, adjustments are made for pension costs in accordance with accounting requirements known as IAS 19 Employee benefits *Retirement Benefits*. Service budgets are charged with a “current service cost” (being the cost of what employees have earned in pension rights during the year) in lieu of the cost of employer contributions (being the actual amount charged to the accounts for contributions in the year to the Pension Fund). These adjustments are also reversed out of the accounts below the Net Cost of Services, via the *Movement on Pensions Reserve*, to revert the cost in the accounts back to the value of employer contributions. These technical adjustments are intended to bring the public services in line with International Reporting Standards.

The net budget and net out-turn position are presented on the following page for the Authority’s main service areas, shown within a simplified Income & Expenditure Account (profit/loss account).

<b>2018/19 Revenue Account</b>	<b>Net Budget £000</b>	<b>Net out-turn £000</b>	<b>Variance £000</b>	<b>2017/18 Net Out-turn £000</b>
Conservation of the Natural Environment	390	386	4	368
Conservation of the Cultural Heritage	154	140	14	129
Development Control	342	252	90	235
Forward Planning & Communities	340	340	-	416
Promoting and Understanding	415	346	69	1,003
Recreation Management & Transport	133	111	22	135
Rangers, Estates & Volunteers	1,203	1,189	14	1,051
Democratic Representation & Management	547	532	15	462
Service Management & Support Services	1,086	1,120	-34	1,105
<b>Net cost of services</b>	<b>4,610</b>	<b>4,416</b>	<b>194</b>	<b>4,904</b>
Interest and investment income earned during the year	-15	-31	16	-19
Other Non Cash Items debited or credited to the Authority Reserves for the year:	-1,629	-1,274	-355	-107
National Park Grant - Welsh Government	-2,807	-2954	147	-2955
National Park Levy – Pembrokeshire County Council	-933	-933		-985
<b>Net Operating Surplus / Deficit (-)</b>	<b>774</b>	<b>776</b>	<b>-2</b>	<b>838</b>
Less Net Transfer to (-) / from Earmarked Reserves	-774	-774		-905
<b>END OF YEAR SURPLUS</b>	<b>0</b>	<b>2</b>	<b>-2</b>	<b>67</b>

### **Summary Comment**

The outturn Net Cost of Service (N.C.S.) expenditure for the year was £4,416k against a budget N.C.S. of £4,610k and an actual of £4,904k for 2017/18. The N.C.S. was below the revised budget by £194k, details of the expenditure by department is **shown in appendix 1** and an explanation for the major variances within each service is as follows

- **Conservation of the Natural Environment (£4k under budget).** The short fall of external sales at Cillrhedyn of £9k was offset with lower operating costs resulting in a net saving of £6k versus budget. An additional payment to Milford Haven Port Authority to support the Milford Haven Environmental Surveillance group of £3k resulted in an over spend in the Marine Environment budget.
- **Conservation of Cultural Heritage (£14k under budget).** The variances in the Conservation of Cultural Heritage service are from savings in the Archaeological and Heritage Garden budgets.



- **Development Control (£90k under budget).** Within Development Management planning fee income of £226k was up £60k versus budget but down £32k against the 2017/18 figures. Additional pre-application fee income together with savings in salary, travel, advertising and legal costs recovered have also contributed to the under spend.
- **Forward Planning & Communities (On budget).** Total Sustainable Development Fund grant payments during the year amounted to £107k and distributed amongst fifteen different projects. Grant payments in excess of £5k were made to: The Sea Trust, Solva Community Council, Mikota Ltd, Greenseas Resources Ltd, Pembrokeshire Coastal Forum, Murray Taylor, Ben Lloyd and Pembrokeshire National Park Authority. In 2018 a service level agreement was arranged with PLANED to administer the S.D.F. scheme until March 2020.
- **Promoting & Understanding (£69k under budget).**  
The table on page 10 shows the current year budget, actual and prior years' figures for merchandise sales, admissions income and car park income for the 12 months ended 31st March 2019. Total merchandise sales of £235k are £6k down on budget and £8k versus the prior year. Overall this equates to a 3% decrease on last year in merchandise income generated across the Centres. There is however a difference in performance in the sites, OYP has seen 2% increase, Carew has seen a 4% decrease and Castell Henllys has seen a decrease of 16.3% compared to last year.

The joint admission fee income of £205k for Carew Castle and Castell Henllys is below budget by £1k and down £16k versus 2017/18. The partial closure of the Carew Castle due to the refurbishment work on the Walled Garden goes some way to explain their decrease. Visitor numbers may have also been down compared to last year due to Easter holidays falling across the two financial years. At each centre visitor numbers at Castell Henllys showed a 13.1% decrease, at Carew 5% decrease, however Oriell y Parc has seen a small increase of 1.4%. On a more positive note Castell Henllys schools activities income of £15k in 2018/19 compares to £13k in 2017/18.

Oriell Y Parc was aided by grant income of £13k from the Arts Council on the Criw Celf project to support art in communities. Operating costs at Castell Henllys were above budget due to additional salary costs as a result of a long term sickness, increased site costs and the impact of changes to small business rate relief regulations. The Carew Castle Tearoom opened in July, had a very successful summer trading and had an operation surplus of £7k for the period ended 31<sup>st</sup> March 2019.

In Communications budget the position of publications officer remained vacant for the year resulting in significant savings although there were additional costs associated with the development of the Authority's new website. Advertising income from the Coast to Coast magazine of £75k was down £14k versus budget but up £3k versus 2017/18

The Authority in conjunction with Pembrokeshire County Council, Wexford County Council and Visit Wexford successfully bid for a European Regional Development Fund grant of €2.4m from the Ireland Wales 2014 – 2020 Programme. The Authority's match funding to the project, "Rediscovering Ancient Connections - The Saints", is in the form of £7k in cash, circa £40k in staff time and £30k of advertising in Coast to Coast. This follows the obtaining funding for the Celtic Routes Interreg project and support from Visit Wales' Regional Tourism Engagement Fund for Wales Coast Path marketing activities.

- **Recreation & Park Management (£22k under budget).** The table on page 10 shows Car Park income for the 12 months at £445k, which is up £18k on budget and £10k on 2017/18. However a prolonged period sickness and the unbudgeted cost of engaging a contractor to maintain the car parks have resulted in the over spend in car park delivery of £10k. The under spend of £32k in the Authority's Technical Officer was due to the post being vacant throughout the year. The post was replaced by a building and projects assistant and the post was filled in April 2019.
- **Rangers, Estates & Volunteers (£14k under budget).** In the Rangers, Estates and volunteers service area the underspend was due to a 6 month vacancy in the Ranger South post.
- **Democratic Representation & Management (£15k under budget).** Within the Corporate Activities and Management budget the Authority has contributed to the Iron Man Wales event, Tenby Town Council for a memorial and further support for the work of National Parks UK. The under spend in Democratic Representation is due savings on members allowances and expenses and translation costs.
- **Service Management & Support Services (£34k over budget).** A shortfall in the fund raising income and unplanned agency staff costs have been partially offset by reduced legal fees, a vacant post in the in the IT department and staff training , stationary and postage costs.

In July 2018 the Welsh Government notified the Authority that the budgeted 5% reduction in the National Park Grant for 2018/19 would not be imposed and this resulted in the grant being £145K higher than anticipated. This additional grant income couple with higher than budgeted planning fee income and various underspend savings has resulted in the operating surplus for the year. This surplus has been used to add to the earmarked reserve created to cover the expected reductions in the National Park Grant.

### 2018/19 Income Versus Budget & Prior Years

<b>Merchandise Sales</b>	<b>12 mth Budget</b>	<b>12 mth Income</b>	<b>Variance</b>	<b>2017/18</b>	<b>Variance</b>	<b>2016/17</b>	<b>Variance</b>	<b>2015 /16</b>	<b>Variance</b>
Carew Income	77,037	79,274	2,237	82,894	-3,620	78,755	519	81,035	-1,761
Oriel Y Parc	123,069	120,514	-2,555	117,989	2,525	108,188	12,326	121,575	-1,061
Castell Henllys	41,723	35,622	-6,101	42,196	-6,575	39,179	-3,558	47,645	-12,023
<b>Total Merchandise Sales</b>	<b>241,829</b>	<b>235,410</b>	<b>-6,419</b>	<b>243,079</b>	<b>-7,670</b>	<b>226,122</b>	<b>9,287</b>	<b>250,255</b>	<b>-14,845</b>
<b>Admission Fees</b>									
Carew Income	133,250	140,448	7,198	148,961	-8,514	123,433	17,015	126,211	14,236
Castell Henllys	72,702	64,105	-8,597	77,597	-13,492	56,952	7,152	71,764	-7,659
	<b>205,952</b>	<b>204,553</b>	<b>-1,399</b>	<b>226,558</b>	<b>-22,006</b>	<b>180,385</b>	<b>24,167</b>	<b>197,975</b>	<b>6,577</b>
<b>Car Park Income</b>									
Car Park Operations	25,000	28,113	3,113	28,128	-14	4,548	23,565	11,503	16,610
Manorbier Car Park	43,389	45,727	2,338	42,021	3,706	41,094	4,633	41,259	4,467
Little Haven Car Park	36,155	31,917	-4,238	28,120	3,797	35,616	-3,699	38,955	-7,038
St Davids Car Park	77,000	70,254	-6,746	73,707	-3,453	77,327	-3,621	79,780	-9,526
Poppit Car Park	40,524	57,462	16,938	53,374	4,088	45,678	7,696	34,623	22,839
Saundersfoot Car Park	70,920	66,461	-4,459	64,809	1,652	77,391	-12,582	71,665	-5,204
Freshwater East Car Park	24,204	24,738	534	24,194	543	19,312	4,882	22,777	1,961
Broad Haven Car Park	22,138	22,132	-6	22,664	-531	21,628	1,035	22,100	33
Newport Car Park	15,757	21,126	5,369	23,078	-1,952	18,863	4,215	15,697	5,429
Newgale Car Park	18,500	20,974	2,474	17,865	3,109	17,664	201	19,946	1,029
Solva Car Park	54,000	56,517	2,517	57,778	-1,260	54,460	3,318	57,161	-644
	<b>427,587</b>	<b>445,421</b>	<b>17,834</b>	<b>435,738</b>	<b>9,685</b>	<b>413,581</b>	<b>29,644</b>	<b>415,466</b>	<b>29,956</b>

## 8. Capital Programme

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

	<b>Total Cost 2018/19 £000</b>	<b>Total Cost 2017/18 £000</b>
<b>Promoting Understanding &amp; Enjoyment</b>	<b>239</b>	<b>80</b>
Castell Henllys	53	57
Carew Castle	186	23
<b>Recreation &amp; Park Management</b>	<b>106</b>	<b>86</b>
Vehicles & Equipment	105	-
Car Parks	1	86
<b>Corporate &amp; Support Services</b>	<b>46</b>	<b>8</b>
Information & Communications Technology	46	8
<b>TOTAL CAPITAL SPEND</b>	<b>391</b>	<b>174</b>
<b>Financed by:</b>		
Financing from the Revenue budget	-87	-156
Additional Grants	-46	-
Capital Receipts	-258	-18
<b>Total</b>	<b>-391</b>	<b>-174</b>

Details of the capital programme are:

- Castell Henllys.** During 2018/19 work was undertaken on two of the Round Houses at Castell Henllys. The majority of refurbishment of the Cook's House was done in 2017/18 but completed in 2018/19 and work to refurbish the Earth Watch Round House was commenced during the year and will be completed in the summer of 2019. In March 2018 the Authority was awarded significant additional (£730k) grant funding from Welsh Government. Included in the capital grant allocation is £150k for the further development of Castell Henllys and £30k of this was spent enhancing the access road.
- Carew Castle.** While the work on Walled Garden project commence in March 2019 with the majority of this project is due to be completed by June 2019. The project is partially funded by the Tourist Amenity Investment Support Scheme funded. There is also a separate project to enhance sewage and drainage infrastructure at the Castle which will be completed in May 2019. The Castle café build was completed during the year and became fully operational in July 2018.
- Vehicles & Equipment.** During the year the Authority acquired new vehicles for the South and the West area warden teams. Both leasing and purchase options were looked into but in these cases outright purchase was considered to be the most cost effective of procurement. A remote control brushcutter and tractor were also purchased for the warden teams. Equipment purchased for the Carew Castle café is also included in this category

- **Car Parks.** Preliminary work to redevelop the Broad Haven Car Park was started but the majority of the expenditure will be incurred in 2019/20 financial year
- **Information & Communications Technology** In addition to enhancing broadband capacity at Castell Henllys a large photocopier was purchased for development management department.

## 9. Summarised Balance Sheet as at 31 March 2019

	2018/19 £000	2017/18 £000
Fixed Assets	12,247	12,090
Cash in hand/bank	5,576	4,481
Stocks of merchandise and timber	111	131
Debtors – money owed to the Authority	301	277
Creditors – money owed by the Authority	-455	-507
Provisions – for known commitments	0	-8
<b>Cash Reserves:</b>		
Usable Capital Receipts/Unapplied Capital Grants		
Earmarked Reserves – for specific purposes	-3,951	-3,178
General Revenue Reserves	-1,008	-1,006
Usable Capital Receipts Reserve	-655	-263
<b>Non-cash:</b>		
Accrued Absences Reserve	55	47
Capital Adjustment Account	-9,101	-9,303
Revaluation Reserve	-3,120	-2,761
Pension Liability	5,077	3,738
Pensions Reserve (to balance with liability)	-5,077	-3,738
<b>BALANCED TO:</b>	Nil	Nil

The net value of the Authority's fixed assets employed at the year-end was £12,247k, up from £12,090k as at 31 March 2018. A number of assets were subject to revaluation as part of the five-year rolling programme of revaluations and significant revaluations in the year relate to; Brewery Meadow Car Park, Manorbier Car Park, St. David's Car Park, Oriel Y Parc, Newport Information Centre, Freshwater East Caravan Site, and St. Brides Cottages. Capital additions and impairments also impacted the movement in the balance. Capital assets include vehicles and equipment and land/buildings – such as car parks, picnic sites, coastal land, woodlands, information centres and historic sites.

Stock, Debtors, Creditors, Provisions and Long Term borrowing balances arise from the normal revenue and capital expenditure activities of the Authority. The movement in these categories has

been fairly minimal between the two financial years. The Authority's cash balance on the other has increased dramatically and this was due to an award of £1.1k from Welsh Government for a range of projects received at the end of the financial year.

Earmarked Reserves are reserves created from current and prior year surpluses and set aside for specific projects. General Reserves are accumulative surpluses available for all Park purposes. Usable Capital Receipts are proceeds from sale of Authority assets and can only be used to fund capital expenditure.

The balance on the Capital Receipts Reserve increased by £392k to £655k, there was a capital receipt of £650k on the disposal of land and £258k of which was used to partially fund the capital program. During the year the Earmarked Reserves increased from £3,178k to £3,951k. The balance of earmarked reserve increase during the year as the Authority received the aforementioned £1.1m of revenue and grant funding from Welsh Government in March 2019; there was a review of the Earmarked Reserve by the Authority during the year when it was agreed appropriate reserves were being held.

The General Reserve balance was up from £1,006k to £1,008k at the end of the financial year. The Authority's financial position at the end of the 2018/19 remains strong with sizeable cash reserves in place. However given the continued tight fiscal environment in the public sector it is expected that the balances on the General, Capital Receipts & Earmarked Reserves will reduce significantly over the next few years.

The Accumulated Absences Reserve relates to staff accrued absences earned but not taken in the year. Due to the way the Authority accounts for capital expenditure the balances on the Capital Adjustment Account and Revaluation Reserve mirror the value of fixed assets employed.

The Pension Fund Liability at the year-end decreased to £5,077k compared with the liability at the close of 2017/18 of £3,738k. This was primarily due changes on the financial assumptions on the scheme liabilities causing a reduction in the discount rate of around 0.2% p.a. during the year and an increase in the CPI inflation assumption of around 0.1% p.a. Mitigating this investment markets over the year showed positive returns in general, although there were be significant variation depending on the asset portfolio of the individual fund

## **10. Looking Forward**

The Authority was formally notified that the National Park Grant (N.P.G.) for 2019/20 would be unchanged from 2018/19 and accordingly the revenue budget for 2019/20 was based on that level of grant. However the Welsh Government has recently advised there is a possibility N.P.G. for 2020/21 will be significantly revised downwards. A reduction in baseline of the N.P.G consequentially will have an impact on subsequent years' budgeting. Although the Authority has made significant budget efficiencies in recent years, it therefore continues to face the financial challenge to ensure it further reduces its underlying cost base and where possible increases revenue streams to match the significant reduction in the NPG and consequential cut to the levy. The healthy reserve position affords the Authority a cushion to address any acute funding issues. However as the Authority's core grant funding is likely to continue to fall, these reserves are finite and will be soon depleted if no corrective action is taken. The financial situation will be managed by improved efficiencies and cost savings, reviewing opportunities to develop local income and drawing down other sources of grant aid.

## STATEMENT OF ACCOUNTS

- 11** The remainder of this document presents the statutory statements of accounts for the Authority.
- 12** The Authority's Accounts, which are covered by the Statements of Responsibilities and the Auditors report, are set out on pages 16 to 60 and comprise of:-
- The Statement of Accounting Policies (from page 16) explains the principles and bases on which the Authority's accounts have been prepared.
  - The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants etc.) by the Authority in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Authority's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.
  - The Comprehensive Income & Expenditure Statement summarises the resources that have been generated and consumed in providing services and managing the Authority during the year. It includes all day to day expenses and related income on an accruals basis, as well as transactions measuring the value of fixed assets actually consumed and the real projected value of the retirement benefits earned by employees in the year.
  - The Authority Movement in Reserves Statement. This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other reserves. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance. The Net Increase/Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.
  - The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in

Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

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

- Notes to the Financial Statements

- 13 The Statement of Responsibilities for the Statement of Accounts (page 60) explains the Authority's responsibilities and the Chief Financial Officer's responsibilities in administering the Authority's financial affairs and preparing the Statement of Accounts.
- 14 The Annual Governance Statement (page 61) sets out the framework within which financial control is managed and reviewed in the Authority.
- 15 The Auditors' Report (page 77)

#### *FURTHER INFORMATION*

Further information about this Statement of Accounts is available from:

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# STATEMENT OF ACCOUNTING POLICIES

## **1. 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

## **2. 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.

## **3. Accruals of Income & 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 12<sup>th</sup> 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, in so 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. Quarterly bills (such as utility bills) and the like are not accrued provided that an annual equivalent charge has already been made in the accounts.

#### **4. 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.

#### **5. Events After the balance sheet date**

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.

#### **6. Prior Year Adjustments**

There have been no prior year adjustment to report on.

#### **7. Foreign Currency Translation**

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

#### **8. 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 & 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 Capital Adjustment Account. Changes in regulations require that unless any conditions have not been met grants and contributions for revenue purposes must be fully recognised in the Comprehensive Income & Expenditure Account in the period of receipt. Previously income would not be taken to the Comprehensive Income & Expenditure Account until the period of matching expenditure. However authorities may consider earmarking such revenue grant income 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.

#### **9. Group Accounts**

Group Accounts are not applicable to the Authority's 2018//19 accounts, as no relationships exist with any subsidiaries, associates or joint ventures as defined for reporting purposes.

#### **10. Intangible Assets**

Intangible assets are carried at historical cost and depreciated over 4 years.

#### **11. Investments and Capital Instruments**

The Authority does not hold any investments in listed and unlisted companies. Surplus cash is deposited in short-term money market accounts with the Authority's bankers, Lloyds and NatWest. The Authority does not issue or hold any capital instruments that are listed or publicly traded on a stock exchange or market.

#### **12. Leases**

The Authority manages Operating Leases for its main photocopiers and for the majority of its vehicles, including vehicles provided to nominated staff under the Staff Lease Car Scheme. Lease payments are

charged in full according to date payable on a straight-line basis, ensuring an equal annual charge to service revenue accounts throughout the life of the lease. Contributions from staff benefiting from the Lease Car Scheme are credited to the revenue account in the period of receipt.

The Authority rents a number of properties in support of its services, and rental costs are accounted for on a straight-line basis in the relevant rental periods. The Authority also rents-out a number of owned properties that are not required for direct service provision. The properties are held as fixed assets in the balance sheet, and income relating to these properties is accounted for on a straight-line basis in the relevant rental periods.

No Finance Leases exist.

### **13. Recharging of Service Management & Support Service Costs**

The Authority changed its policy Support Services costs which are no longer recharged to service users.

### **14. Employee Benefits**

Short term employee benefits include wages and salaries, paid annual leave and paid sick leave and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements, 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 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 adoption of the 2011 amendments to IAS 19 in for first time in the 2013/14 required disclosure that new classes of components of defined benefit cost to be recognised in the financial statements (i.e. net interest on the net defined benefit liability (asset) and remeasurements of the net defined benefit liability (asset)), and, where there is a material impact, new definitions or recognition criteria for service costs (eg past service costs) and new recognition criteria for termination benefits. The date of change in accounting policy is from 1 April 2013.

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 & 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.

### **15. 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 & 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.

### **16. Research & Development**

Expenditure on research and development is regarded as part of the continuing operations of the Authority and is written off as it is incurred.

### **17. 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 & 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.

### **18. Inventories & Long-term Contracts**

Stocks of merchandise, timber, stamps and bridge tickets are included in the accounts at cost. This is a departure from recommended practice that requires stocks to be shown at the *lower of* actual cost or net realisable value. The difference is not considered to be material. Other immaterial stock, for example stationery, is treated as current expenditure and charged directly to revenue.

### **19. 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 revalued on a rolling 5-year revaluation programme in order to ensure that their value is accurately reflected in the Authority's balance sheet. Revaluations are undertaken by the Authority's qualified Estates Officer, Carmarthenshire County Council and by qualified surveyors employed by R.K. Lucas & Son, in accordance with the RICS Appraisal & 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.
- 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.

In line with changes in accounting regulations as from April 2007 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 & 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-minimums 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:

- Freehold land is not depreciated
- Freehold buildings are generally depreciated over 25 years, although the useful life of certain assets are determined under the Asset Valuation Report or external advice
- Car parks are depreciated to 50% over 25 years.
- Plant and machinery are depreciated over 10 years.
- Intangible Assets are depreciated over 4 years.
- IT equipment is depreciated over 4 years.
- Vehicles and equipment are depreciated over 5 years.
- Fully depreciated assets are reviewed to ascertain whether their value in the balance sheet and their potential future life-span are appropriately represented. Where necessary, asset depreciable lives are extended or assets are revalued to achieve the appropriate representation.

- Assets in the course of construction are not depreciated. Depreciation is not charged in the year of acquisition or transfer of assets, but is charged in each subsequent year, where applicable, including the year of disposal.

Under the adoption of the 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.

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously losses recognised in the Surplus or Deficit on Provision of Services. 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

## **20. Capital Charges and Revenue Expenditure Funded From Capital Under Statute**

The cost of services in the Comprehensive Income & Expenditure Account includes a capital charge for all fixed assets used by each service, as recorded in the balance sheet at 31<sup>st</sup> March 2019. 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 & Expenditure Statement. These charges are subsequently reversed out in the Movement in Reserves Statement with an equal charge to the Capital Adjustment Account.

## **21. Deferred Liabilities**

No deferred liabilities have arisen during the year nor been carried forward from previous years.

## **22. Interest Charges and Receipts**

Surplus funds, made available through prudent cash flow management, are invested via Lloyds and NatWest Banks and generate interest receipts that are credited to the Comprehensive Income & Expenditure Account.

## **23. Value Added Tax**

The accounts have been prepared on a VAT exclusive basis.

## **24. 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) that 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 & Expenditure line of the Comprehensive Income & Expenditure Statement. Investment properties are carried at fair value and following the specifications in IFRS 13 at highest and best use.

## **25. Heritage Assets**

From 1 April 2010 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. Heritage Assets are split between tangible and intangible assets: a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture; an intangible asset with cultural, environmental, or historical significance. Examples of intangible heritage assets include recordings of significant historical events. The Authority does not hold any intangible assets. The review of the impairment, acquisition and disposal of heritage assets is included within the of 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.

**Pembrokeshire Coast National Park Authority**  
**Comprehensive Income and Expenditure Statement**  
**1<sup>st</sup> April 2018 – 31<sup>st</sup> March 2019**  
**£000's**

	31 March 2019			31 March 2018		
	Expenditure	Income	Net	Expenditure	Income	Net
Conservation of the Natural Environment	415	-29	386	389	-21	368
Conservation of the Cultural Heritage	147	-7	140	130	-1	129
Development Control	519	-267	252	518	-283	235
Forward Planning & Communities	340	-	340	416	-	416
Promoting Understanding	1,205	-859	346	1,757	-754	1,003
Recreation & Transport	749	-638	111	801	-666	135
Rangers, Estates & Volunteers	1,275	-86	1,189	1,189	-138	1,051
Democratic Representation & Management	548	-16	532	472	-10	462
Support Service Costs	1,141	-21	1,120	1,125	-20	1,105
Past Service Cost (Note 40)				29		29
<b>Cost of Services</b>	<b>6,339</b>	<b>-1923</b>	<b>4,416</b>	<b>6,826</b>	<b>-1,893</b>	<b>4,933</b>
Financing & Investment Income & Expenditure (Note 8)			497			23
Other Operating Expenditure (Note 9)			25			15
<b>Taxation &amp; Non -specific Grant Income</b> (Note 10)			-5,056			-5,153
<b>(Surplus) or Deficit on Provision of Services</b>			<b>-118</b>			<b>-182</b>
Surplus or deficit on revaluation of fixed assets (Note 11)			-394			-109
Actuarial gains / losses on pension assets / liabilities (Note 40)			685			-1,593
<b>Other Comprehensive Income and Expenditure</b>			<b>291</b>			<b>-1,702</b>
<b>Total Comprehensive Income and Expenditure</b> (Note 6)			<b>173</b>			<b>-1,884</b>



**Pembrokeshire Coast National Park Authority**

**BALANCE SHEET**

*As at 31<sup>st</sup> March 2019*

**£000's**

<b>As at:</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Property, Plant & Equipment (Note 11)	11,131	10,465
Assets Held for Sale (Note 15)		
Heritage Assets (Note 11)	171	171
Intangible Assets (Note 14)	14	18
Investment Property (Note 12)	931	1,436
Long term Debtor (Note 17)	3	5
<b>Long Term Assets</b>	<b>12,250</b>	<b>12,095</b>
Inventories (Note 16)	111	131
Short Term Debtors (Note 17)	298	272
Cash and Cash Equivalents (Note 18)	5,576	4,481
<b>Current Assets</b>	<b>5,985</b>	<b>4,884</b>
Short Term Creditors (Note 20)	-455	-507
Provisions (Note 20)		-8
<b>Current Liabilities</b>	<b>-455</b>	<b>-515</b>
Pension Liability (Note 40)	-5,077	-3,738
<b>Long Term Liabilities</b>	<b>-5,077</b>	<b>-3,738</b>
<b>Net Assets</b>	<b>12,703</b>	<b>12,726</b>
Usable reserves (Note 21)	5,614	4,447
Unusable Reserves (Note 22)	7,089	8,279
<b>Total Reserves</b>	<b>12,703</b>	<b>12,726</b>

## **Movement in Reserves Statement**

*1<sup>st</sup> April 2018 – 31<sup>st</sup> March 2019*

**£000's**

	General Fund Balance	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Revaluation Reserve	Capital Adjustment Account	Pensions Reserve	Accum Compensation Unusable Reserve	Unusable Reserves	Total Authority Reserves
<b>Balance as at 31 March 2018</b>	<b>1,006</b>	<b>3,178</b>	<b>263</b>		<b>4,447</b>	<b>2,762</b>	<b>9,303</b>	<b>-3,738</b>	<b>-47</b>	<b>8,279</b>	<b>12,726</b>
<b>Surplus or (deficit) on provision of services</b>	118				118						118
<b>Other Comprehensive Expenditure and Income</b>						394		-685		-291	-291
<b>Total Comprehensive Expenditure and Income</b>	118				118	394		-685		-291	-173
<b>Adjustment between accounting basis and funding basis under regulations (Note 6)</b>	657		392		1,049	-36	-201	-653	-8	-899	150
<b>Net Increase/Decrease before Transfers to Earmarked Reserves</b>	<b>775</b>		<b>392</b>		<b>1167</b>	<b>358</b>	<b>-201</b>	<b>-1338</b>	<b>-8</b>	<b>-1190</b>	<b>-23</b>
<b>Transfers to/from Earmarked Reserves (Note 7)</b>	<b>-774</b>	<b>774</b>									
<b>Increase/Decrease in Year</b>	<b>1</b>	<b>774</b>	<b>392</b>		<b>1167</b>	<b>358</b>	<b>-201</b>	<b>-1338</b>	<b>-8</b>	<b>-1190</b>	<b>-23</b>
<b>Roundings</b>	<b>1</b>	<b>-1</b>					<b>-1</b>	<b>-1</b>			
<b>Balance at 31 March 2019 carried forward</b>	<b>1,008</b>	<b>3,951</b>	<b>655</b>		<b>5,614</b>	<b>3,120</b>	<b>9,101</b>	<b>-5,077</b>	<b>-55</b>	<b>7,089</b>	<b>12,703</b>

## **Movement in Reserves Statement**

*1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2018*

**£000's**

	General Fund Balance	Earmarked Reserves	Capital Receipts Reserve	Capital Grants Unapplied	Total Usable Reserves	Revaluation Reserve	Capital Adjustment Account	Pensions Reserve	Accum Compensation Unusable Reserve	Unusable Reserves	Total Authority Reserves
<b>Balance as at 31 March 2017</b>	<b>939</b>	<b>2,273</b>	<b>281</b>	<b>-</b>	<b>3,493</b>	<b>2,685</b>	<b>9,351</b>	<b>-4,638</b>	<b>-49</b>	<b>7,249</b>	<b>10,842</b>
<b>Surplus or (deficit) on provision of services</b>	182				182						182
<b>Other Comprehensive Expenditure and Income</b>						109		1,593		1,702	1,702
<b>Total Comprehensive Expenditure and Income</b>	182				182	109		1,593		1,702	1,884
<b>Adjustment between accounting basis and funding basis under regulations (Note 6)</b>	790		-18		772	-33	-47	-694	2	-772	-
<b>Net Increase/Decrease before Transfers to Earmarked Reserves</b>	<b>972</b>		<b>-18</b>		<b>954</b>	<b>76</b>	<b>-47</b>	<b>899</b>	<b>2</b>	<b>930</b>	<b>1,884</b>
<b>Transfers to/from Earmarked Reserves (Note 7)</b>	<b>-905</b>	<b>905</b>									-
<b>Increase/Decrease in Year</b>	<b>67</b>	<b>905</b>	<b>-18</b>		<b>954</b>	<b>76</b>	<b>-47</b>	<b>899</b>	<b>2</b>	<b>930</b>	<b>1,884</b>
<b>Roundings</b>						<b>1</b>	<b>-1</b>	<b>1</b>			-
<b>Balance at 31 March 2018 carried forward</b>	<b>1,006</b>	<b>3,178</b>	<b>263</b>	<b>-</b>	<b>4,447</b>	<b>2,762</b>	<b>9,303</b>	<b>-3,738</b>	<b>-47</b>	<b>8,279</b>	<b>12,726</b>

**Cash Flow Statement**  
**1<sup>st</sup> April 2018 – 31<sup>st</sup> March 2019**  
**£000s**

	31 March 2019		31 March 2018
Net (- surplus) or deficit on the provision of services	-118		-182
Adjust net surplus or deficit on the provision of services for noncash Movements (Note 24)	-702		-1,053
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	583		792
<b>Net cash flows from Operating Activities</b>	<b>-237</b>		<b>-443</b>
Investing Activities (Note 25)	-856		-591
Financing Activities (Note 25)	-2		9
<b>Net increase(-) or decrease in cash and cash equivalents</b>	<b>-1095</b>		<b>-1,025</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>4,481</b>		<b>3,456</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5,576</b>		<b>4,481</b>

## **Notes to the Financial Statements**

### **1. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN 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. 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:

IFRS 16 Leases will requires that are lessees to recognise most leases on their balance sheets as right-of-use assets with corresponding lease liabilities (there is recognition for low-value and short-term leases). CIPFA/LASAAC have deferred implementation of IFRS16 for local government to 1 April 2020.

IAS 40 Investment Property: Transfers of Investment Property provides further explanation of the instances in which a property can be reclassified as investment property.

IFRIC 22 Foreign Currency Transactions and Advance Consideration clarifies the treatment of payments in a foreign currency made in advance of obtaining or delivering services or goods. The Authority does not have any material transactions within the scope of the amendment.

IFRIC 23 Uncertainty over Income Tax Treatments provides additional guidance on income tax treatment where there is uncertainty. This will have no impact on the single entity accounts.

IFRS 9 Financial instruments: prepayment features with negative compensation amends IFRS9 to make clear that amortised cost should be used where prepayments are substantially lower than the unpaid principal and interest. The Authority has no loans to whom this will apply.

### **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.

### **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 at 31 March 2019 there is a risk of material adjustment in the forthcoming financial year in the size of the pension 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 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.

The Statement of Accounts contains accruals for income and expenditure known as at the balance sheet date. In addition they show the accumulative absences accrual is 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.

#### **4. MATERIAL ITEMS OF INCOME AND EXPENSE**

There are no material items other than those disclosed in the Comprehensive Income and Expenditure Statement.

#### **5. EVENTS AFTER THE BALANCE SHEET DATE**

As at 31<sup>st</sup> May 2019 there were no post balance sheet events to report.

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## 6) NOTES TO COMPREHENSIVE INCOME & EXPENDITURE and MOVEMENT IN RESERVES ACCOUNTS

The Expenditure Funding Analysis below reconciles Comprehensive Income & Expenditure Statement to the movement on the General Reserve Fund:

£000's

	2018/19			2017/18		
	Net Expenditure chargeable to the General Reserve	Total Adjust between funding and Accounting basis	NET Comprehensive Income Expenditure Statement Expenditure	Net Expenditure chargeable to the General Reserve	Total Adjust between funding and Accounting basis	NET Comprehensive Income Expenditure Statement Expenditure
Conservation of the Natural Environment	315	71	386	306	62	368
Conservation of the Cultural Heritage	124	16	140	117	12	129
Development Control	192	60	252	179	56	235
Forward Planning & Communities	309	31	340	386	30	416
Promoting Understanding	719	-373	346	760	243	1,003
Recreation & Transport	43	68	111	49	86	135
Rangers, Estates & Volunteers	1,028	161	1,189	893	158	1,051
Democratic Representation & Management	505	27	532	435	27	462
Support Service Costs	1,010	110	1,120	984	121	1,105
Past Service Gain / Pension Curtailment				29		29
<b>Net Cost of Services</b>	<b>4,245</b>	<b>171</b>	<b>4,416</b>	<b>4,138</b>	<b>795</b>	<b>4,933</b>
Other Income & Expenditure	-4,246	3	-4,243	-4,205	-2,612	-6,817
<b>Surplus(-) / Deficit</b>	<b>-1</b>	<b>174</b>	<b>173</b>	<b>-67</b>	<b>-1,817</b>	<b>-1,884</b>
Opening balance of General Reserve	<b>1,006</b>			<b>939</b>		
Movement	1			<b>67</b>		
Roundings	<b>1</b>					
Closing Balance	<b>1,008</b>			<b>1,006</b>		

The following are the adjustments from the General Fund to arrive at the Comprehensive Income & Expenditure Statement amounts:

<b>2018/19</b>	<b>£000's</b>			
	<b>Capital</b>	<b>Other</b>	<b>Pension</b>	<b>Total</b>
Conservation of the Natural Environment	6	38	27	71
Conservation of the Cultural Heritage			16	16
Development Control	3	-2	59	60
Forward Planning & Communities		3	27	31
Promoting Understanding	-504	3	128	-373
Recreation & Transport	55	-11	24	68
Rangers, Estates & Volunteers	34	-18	146	161
Democratic Representation & Management		-1	29	27
Support Services	26	-3	87	110
<b>Net cost of services</b>	<b>-380</b>	<b>9</b>	<b>543</b>	<b>171</b>
Other I&E	<b>68</b>	<b>-860</b>	<b>795</b>	<b>3</b>
<b>Total</b>	<b>-312</b>	<b>-851</b>	<b>1,338</b>	<b>174</b>

<b>2017/18</b>	<b>£000's</b>			
	<b>Capital</b>	<b>Other</b>	<b>Pension</b>	<b>Total</b>
Conservation of the Natural Environment	5	31	26	62
Conservation of the Cultural Heritage			12	12
Development Control		1	55	56
Forward Planning & Communities		1	29	30
Promoting Understanding	125	-4	122	243
Recreation & Transport	63	-11	34	86
Rangers, Estates & Volunteers	42	-18	134	158
Democratic Representation & Management		-2	29	27
Support Services	25	-1	97	121
<b>Net cost of services</b>	<b>260</b>	<b>-3</b>	<b>538</b>	<b>795</b>
Other I&E	-117	-1,060	-1,435	-2,612
<b>Total</b>	<b>143</b>	<b>-1,063</b>	<b>-897</b>	<b>-1,817</b>



## EXPENDITURE & INCOME ANALYSED BY NATURE

The table below show the surplus or deficit on the provision of services analysed by nature of expenditure:

	<b>2018/19</b>		<b>2017/18</b>
	£000's		£000's
<b>Expenditure</b>			
Employee benefits	4,349		4,352
Other services	2,488		2,338
Depreciation, amortisation, revaluations	129		263
<b>Total expenditure</b>	<b>6,966</b>		<b>6,953</b>
<b>Income</b>			
Fees, charges & services income	1,923		1,893
Interest & investment income	105		89
Government grants and contributions	5,056		5,153
<b>Total Income</b>	<b>7,084</b>		<b>7,135</b>
<b>Surplus / deficit (-) on provision of services</b>	<b>118</b>		<b>182</b>

## ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATION

The following tables show the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure:

### 2018/19 ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATION £000's

	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
<b>Movement in reserves during 2018/19</b>				
<b>Adjustment to Revenue Resources</b>				
Charges for depreciation and impairment of non-current assets	240			-240
Revaluation of Investment Properties	-621			621
Revaluation losses on Property, Plant & Equipment	509			-509
Adjustment involving the Accumulated Absences Account	8			-8
Revenue expenditure funded from capital grants	-46			46
Pension Costs	653			-653
<b>Total adjustment to Revenue Resources</b>	<b>743</b>			<b>-743</b>
<b>Adjustments between Revenue and Capital Resources</b>				
Capital expenditure charged against the General Fund	-86			86
Transfer of non current sales proceeds from revenue to Capital receipts reserve		392		-392
<b>Total Adjustments between to Revenue and Capital Resources</b>	<b>-86</b>	<b>392</b>		<b>-306</b>
<b>Total Adjustments between accounting basis and funding basis under regulations</b>	<b>657</b>	<b>392</b>		<b>-1,049</b>

**2017/18**  
**ADJUSTMENTS BETWEEN ACCOUNTING BASIS**  
**AND FUNDING BASIS UNDER REGULATION**  
**£000's**

	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
<b>Movement in reserves during 2017/18</b>				
<b>Adjustment to Revenue Resources</b>				
Charges for depreciation and impairment of non-current assets	248			-248
Revaluation of Investment Properties	15			-15
Revaluation losses on Property, Plant & Equipment	-8			8
Adjustment involving the Accumulated Absences Account	-3			3
Revenue expenditure funded from capital grants				
Pension Costs	694			-694
<b>Total adjustment to Revenue Resources</b>	<b>946</b>			<b>-946</b>
<b>Adjustments between Revenue and Capital Resources</b>				
Capital expenditure charged against the General Fund	-156			156
Transfer of non current sales proceeds from revenue to Capital receipts reserve		-18		18
<b>Total Adjustments between to Revenue and Capital Resources</b>	<b>-156</b>	<b>-18</b>		<b>174</b>
<b>Total Adjustments between accounting basis and funding basis under regulations</b>	<b>790</b>	<b>-18</b>		<b>-772</b>

## 7. TRANSFERS TO/FROM EARMARKED RESERVES

This note sets out the amounts set aside from the General Fund balances in Earmarked Reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2018/19.

£000's				
	Closing Balance 31 March 18	Transfers to Revenue	Transfers from Revenue	Closing Balance 31 March 19
<b>Receipts In Advance</b>	-1,876	531	-1,184	-2,529
Asset Management	-37			-37
Planning (Formerly Local Plan)	-133	10		-123
Self-Insurance	-30			-30
Staff Restructuring	-264	50		-214
National Park Wales	-41			-41
Planning System	-89			-89
Car Par Integration	-77			-77
Sponsor A Gate	-4		-2	-6
Round Houses	-43	23	0	-20
SDF Funds	-29			-29
NPG Reduction	-100	53	-240	-287
Car Park Resurfacing	-98			-98
Biodiversity	-11			-11
Planning Enforcement	-100			-100
Stitch In Time	-25			-25
The Pathways Project	-35			-35
Skills In Action	-15			-15
Carew Causeway	-158			-158
Underground Cables At Newport Parrog	-14			-14
Pollinator project			-14	-14
Roundings	1	-1		
<b>Total</b>	<b>-3,178</b>	<b>666</b>	<b>-1,440</b>	<b>-3,952</b>

## 8. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

£000's		
Items	2018/19	2017/18
Movement in fair value of investment properties( - Gain)	509	-8
Income from Investment properties	-74	-62
Pensions Net Interest Cost	93	112
Interest receivable and similar income	-31	-19
<b>TOTAL</b>	<b>497</b>	<b>23</b>

## 9. OTHER OPERATING EXPENDITURE / INCOME

£000's		
Items	2018/19	2017/18
Movement on Bad Debt Provision	9	-
Movement on General Provision	-1	-1
Pension Administration Expenses	17	16
<b>TOTAL</b>	<b>25</b>	<b>15</b>

## 10. TAXATION AND NON SPECIFIC GRANT INCOMES

£000's		
Items	2018/19	2017/18
National Park Grant from Welsh Government	2,954	2,955
Levy on Pembrokeshire County Council	933	985
Capital grants and contributions	1,169	1,213
<b>TOTAL</b>	<b>5,056</b>	<b>5,153</b>

## 11. PROPERTY, PLANT AND EQUIPMENT

The following is a summary of capital expenditure during the reporting period, including assets acquired under finance lease, 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.

**2018/19 Non Current Assets**  
**£000's**

	Operational Land & Buildings	Plant & Equipment	Surplus Assets	Assets held for sale	Non op'l Assets In Progress	<i><b>Total PP&amp;E</b></i>
<b>COST OR VALUATION</b>						
<b>As at 31 March 2018</b>	<b>10,527</b>	<b>1,207</b>	<b>500</b>		<b>22</b>	<b>12,256</b>
Reclassifications	5	-10	-650	650		-5
Assets made operational in yr	125	18			-143	
Additions	33	151			206	390
Disposals				-650		-650
Impairment						
Revaluations	607		150			757
<b>As at 31 March 2019</b>	<b>11,297</b>	<b>1,366</b>			<b>85</b>	<b>12,748</b>
<b>DEPRECIATION</b>						
<b>As at 31 March 2018</b>	<b>-723</b>	<b>-1,068</b>				<b>-1,791</b>
Charge for year	-180	-55				-235
Disposals						
Reclassification	-10	10				
Impairment						
Revaluation	408					408
Roundings	1					1
<b>As at 31 March 2019</b>	<b>-504</b>	<b>-1,113</b>				<b>-1,617</b>
<b>NET VALUE 31/3/18</b>	<b>9,804</b>	<b>139</b>	<b>500</b>	<b>-</b>	<b>22</b>	<b>10,465</b>
<b>NET VALUE 31/3/19</b>	<b>10,793</b>	<b>253</b>	<b>-</b>	<b>-</b>	<b>85</b>	<b>11,131</b>

**2017/18 Non Current Assets**  
**£000's**

	Operational Land & Buildings	Plant & Equipment	Surplus Assets	Non op'l Assets In Progress	<i><b>Total PP&amp;E</b></i>
<b>COST OR VALUATION</b>					
<b>As at 31 March 2017</b>	<b>10,393</b>	<b>1,207</b>	<b>-</b>	<b>28</b>	<b>11,628</b>
Reclassifications			<b>500</b>		<b>500</b>
Assets made operational in yr	<b>12</b>			<b>-12</b>	<b>-</b>
Additions	<b>156</b>			<b>6</b>	<b>162</b>
Disposals	<b>-10</b>				<b>-10</b>
Impairment	<b>-1</b>				<b>-1</b>
Revaluations	<b>-23</b>				<b>-23</b>
<b>As at 31 March 2018</b>	<b>10,527</b>	<b>1,207</b>	<b>500</b>	<b>22</b>	<b>12,256</b>
<b>DEPRECIATION</b>					
<b>As at 31 March 2017</b>	<b>-671</b>	<b>-1,001</b>	<b>-</b>	<b>-</b>	<b>-1,672</b>
Charge for year	<b>-181</b>	<b>-67</b>			<b>-248</b>
Disposals	<b>10</b>				<b>10</b>
Revaluation	<b>119</b>				<b>119</b>
<b>As at 31 March 2018</b>	<b>-723</b>	<b>-1,068</b>	<b>-</b>	<b>-</b>	<b>-1,791</b>
<b>NET VALUE 31/3/17</b>	<b>9,722</b>	<b>206</b>	<b>-</b>	<b>28</b>	<b>9,956</b>
<b>NET VALUE 31/3/18</b>	<b>9,804</b>	<b>139</b>	<b>500</b>	<b>22</b>	<b>10,465</b>

## ASSETS MADE OPERATIONAL DURING THE YEAR

The following assets were made operational in the year:

	2018/19	2017/18
Carew Mill Roof	-	11,007
Saundersfoot Car Park	-	1,455
Carew Castle Cafe	143,164	
<b>Total</b>	<b>143,164</b>	<b>12,462</b>

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

	£
Green Bridge	15,577
Carew Castle Walled garden	31,701
Earthwatch Roundhouse	19,817
Carew Castle Drainage	16,786
Broad Haven Car park	1,385
<b>Total</b>	<b>85,266</b>

## ASSET ADDITION

This represents capital expenditure in the year impacting on asset values as explained in the section on the Capital Programme.

## DISPOSAL

During the year the Authority sold a parcel of land for £650k.

## RECLASSIFICATIONS

The asset reclassifications which took place during the year are in relation to the transfer of the Carew Cafe from Non Operational Assets to Operational Land & Buildings and the land held at Sageston from Surplus Assets to Assets Held for Sale.

## REVALUATIONS & IMPAIRMENT

A number of assets were subject to revaluation as part of the five-year rolling programme of revaluations. Significant revaluations in the year relate to; Brewery Meadow Car Park, Manorbier Car Park, St. David's Car Park, Oriel Y Parc, Newport Information Centre, Freshwater East Caravan Site, and St. Brides Cottages. In regard to revaluation & impairment included in Other Comprehensive Income & Expenditure are made up as follows:

	2018/19	2017/18
Revaluation of Fixed Assets included in Surplus/Deficit (-) on the Provision of Services	620,704	-13,000
Downward/ Upward revaluation of assets and impairment losses not charged to the Surplus/Deficit on	394,479	108,812
<b>Sub total</b>	<b>1,015,183</b>	<b>95,812</b>
Revaluation and Impairment of Investment Properties	-509,000	8,000
<b>Total</b>	<b>506,183</b>	<b>103,812</b>



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

Year	Other Land & Buildings	Community Assets	Surplus Assets	NET TOTAL
	£	£	£	£
2018/19	43,339		150,000	193,339
2017/18	-22,888			-22,888
2016/17	-30,190			-30,190
2015/16	176,998			176,998
2014/15	595,923			595,923

### FINANCING OF FIXED ASSETS and INTANGIBLES

The net cash additions to fixed assets and intangibles of £391,078 (Additions less transfers from Non Operational Assets) were financed as follows:

£86,436	Funding from revenue grant
£258,247	Capital Receipts Reserve
£46,395	Grant funding and other sources

### CAPITAL COMMITMENTS

As at 31<sup>st</sup> March 2019 there were capital commitments totalling £221,742 on the Authority.

### FIXED ASSET PORTFOLIO

Excluding investment properties and assets held for sale the Authority owns the following numbers and types of property and land assets:

Type	2018/19	2017/18
Car Parks	25	25
Historic Sites	16	16
Coastal land and sites	9	9
Woodland Sites	11	11
Other sites	15	15
Other premises	10	11
<b>TOTAL</b>	<b>86</b>	<b>87</b>

## CAPITAL PROGRAMME

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

	<b>Total Cost 2018/19 £000</b>	<b>Total Cost 2017/18 £000</b>
<b>Promoting Understanding &amp; Enjoyment</b>	<b>239</b>	<b>80</b>
Castell Henllys	53	57
Carew Castle	186	23
<b>Recreation &amp; Park Management</b>	<b>106</b>	<b>86</b>
Vehicles & Equipment	105	-
Car Parks	1	86
<b>Corporate &amp; Support Services</b>	<b>46</b>	<b>8</b>
Information & Communications Technology	46	8
<b>TOTAL CAPITAL SPEND</b>	<b>391</b>	<b>174</b>
<b>Financed by:</b>		
Financing from the Revenue budget	87	156
Additional Grants	46	-
Capital Receipts	258	18
<b>Total</b>	<b>391</b>	<b>174</b>

<b>* The additional grants were received from the following partners:</b>	<b>2018/19 £000's</b>	<b>2017/18 £000's</b>
Welsh Government	26	-
European Rural Community Development Fund	20	-
<b>TOTAL ADDITIONAL GRANTS</b>	<b>46</b>	<b>-</b>

## HERITAGE ASSETS.

The Authority's classification of heritage assets relates to specific buildings, monuments, cliffs, sand dunes, woodlands and other types of property. The following schedule details the tangible heritage assets held by the Authority and their valuation as at the balance sheet date.

Asset	Valuation as at 31/3/17	Valuation as at 31/3/18	Reclassification	Valuation as at 31/3/19
Fishguard Old Fort & Cliff	12,500	12,500		12,500
Porthgain Hoppers & Tunnels	1	1		1
Porthgain Navigation Beacon	1	1		1
Trefin Trwyn Llwyd cliff land & ruins	1	1		1
Porthgain Harbour & Bed	1	1		1
Porthgain Cliff Lands	4,000	4,000		4,000
St. Brides Landscape	36,000	36,000		36,000
Manorbier Dunes & Land	6,000	6,000		6,000
Poppit Sands - Landscape	1	1		1
Skrinkle Haven Cliff Lands	56,160	56,160		56,160
Manorbier East Moor Cliffs	3,500	3,500		3,500
Strumble Head Observatory	1	1		1
Saundersfoot Plantation Wood	3,750	3,750		3,750
Strumble Head Cliffs/Car park	6,000	6,000		6,000
Pilots House Porthgain	1	1		1
Broadhaven Cabin Club Site	30,500	30,500		30,500
Porthgain Amenity Land (Ty Mawr)	3,500	3,500		3,500
Porthclais Trailer Park	275	275		275
Angle, The Tower	1	1		1
St. Brides - The Ruin	1	1		1
Solva Prendergast Woods	1,250	1,250		1,250
St. Brides - Pumphouse	1	1		1
Whitesands Field & Land	8,000	8,000		8,000
Hasguard Church			1	1
Saundersfoot Dungeon Wood			1	1
Porthgain Meadows			1	1
<b>Total</b>	<b>171,445</b>	<b>171,445</b>	<b>3</b>	<b>171,448</b>

## 12. INVESTMENT PROPERTIES

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

	2018/19 £000	2017/18 £000
Rental income from investment property	74	62
Net gain/(loss)	<b>74</b>	<b>62</b>

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 over the year:

	2018/19 £000	2017/18 £000
<b>Balance at start of the year</b>	<b>1,436</b>	<b>1,428</b>
Disposal	0	0
Reclassifications	5	0
Net gains/losses from fair value adjustments	-509	8
Roundings	-1	
<b>Balance at end of the year</b>	<b>931</b>	<b>1,436</b>

## 13. LEASES

### Finance Leases

The Authority had no finance leases as at 31<sup>st</sup> March 2019 (nor as at 31<sup>st</sup> March 2018).

### Operating Leases

The Authority leases the majority of vehicles under Contract Hire agreements, and some photocopiers under long-term Rental Agreements. The gross cost of these arrangements was £48,051 for 2018/19 (£48,586 for 2017/18). The Authority rents 14 properties to support its purposes, which includes for example, Tenby T.I.C., Carew Castle & Tidal Mill. The rental costs of these properties for 2018/19 were £45,272 (£47,510, 2017/18).

An analysis of the Authority's minimum lease expenditure in future years are:

£000's

	As at March 2019			As at March 2018		
	Land & Buildings	Vehicles & Equipment	Total	Land & Buildings	Vehicles & Equipment	Total
	£	£	£	£	£	£
Not Later than one year	45	24	69	46	43	89
Later than one year and not later than five years	89	20	109	92	35	127
Later than 5 years	253	-	253	289	-	289
	<b>387</b>	<b>44</b>	<b>431</b>	<b>427</b>	<b>78</b>	<b>505</b>

The Authority acts as Lessor on 24 properties, generating an income of £118,491 during 2018/19 (£108,017 2017/18). Examples of these properties are the lease of land at Freshwater East to the Caravan Club, and the lease of Llanion Park North Block to the Natural Resources Wales. Some of these property leases exceed 20 years and are valued on a long-leasehold basis. They have a combined net asset value of £952,251 with nil cumulative depreciation.

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

£000's		
	As at March 2019	As at March 2018
	£	£
Not Later than one year	108	79
Later than one year and not later than five years	326	240
Later than 5 years	2,150	715
	<b>2,584</b>	<b>1,034</b>

#### 14. INTANGIBLE ASSETS

The Authority accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and is accounted for as part of the hardware item of Property, Plant and Equipment. All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Authority. The useful life assigned to assets acquired during the year is 4 years. The amortisation charge is included in the IT department operating costs.

	2018/19 £000's	2017/18 £000's
<b>Balance at start of year</b>	<b>18</b>	<b>7</b>
Additions	0	13
Accumulative Amortisation	-4	-3
Rounding	0	1
<b>Balance at end of year</b>	<b>14</b>	<b>18</b>

#### 15. ASSETS HELD FOR SALE

As at 31 March 2019 the authority held no assets held for sale

	2018/19 £000	2017/18 £000
<b>Balance at start of the year</b>	<b>0</b>	<b>0</b>
Reclassification to Surplus Assets	650	
Disposals	-650	
<b>Balance at end of the year</b>	<b>0</b>	<b>0</b>

## 16. INVENTORIES

£000's

	Information Centres	Cilrhedyn Woodland Centre	Cleddau Bridge Tickets	Franking Machine	Total
<b>Balance outstanding as at 31/3/16</b>	<b>153</b>	<b>11</b>	<b>2</b>	<b>0</b>	<b>166</b>
Purchases	140	14	3	15	172
Recognised as an expense in the year	-157	-10	-3	-13	-183
Written out	-2				-2
<b>Balance outstanding as at 31/3/17</b>	<b>134</b>	<b>15</b>	<b>2</b>	<b>2</b>	<b>153</b>
Purchases	141	24	3	12	180
Recognised as an expense in the year	-165	-18	-3	-11	-197
Written out	-5				-5
<b>Balance outstanding as at 31/3/18</b>	<b>105</b>	<b>21</b>	<b>2</b>	<b>3</b>	<b>131</b>
Purchases	122	11	3	9	145
Recognised as an expense in the year	-130	-15	-5	-12	-162
Written out	-3				-3
<b>Balance outstanding as at 31/3/19</b>	<b>94</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>111</b>

## 17. LONG & SHORT TERM DEBTORS

£000's

	2018/19	2017/18
<b>Long Term:</b>		
Staff Car / Green Travel Loans	3	5
<b>TOTAL</b>	<b>3</b>	<b>5</b>
<b>Short Term:</b>		
Central government bodies	184	87
Other local authorities	16	22
Other entities and individuals	46	102
Payment in advance	66	66
Staff Loan	2	2
Debt Impairment Provision	-16	-7
<b>TOTAL</b>	<b>298</b>	<b>272</b>

## 18. CASH AND CASH EQUIVALENTS

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

£000's

	2018/19	2017/18
Bank accounts & deposits	5,574	4,479
Cash held by the Authority	2	2
<b>TOTAL</b>	<b>5,576</b>	<b>4,481</b>

## 19. FINANCIAL INSTRUMENTS

There are no financial instrument are carried on the Balance Sheet.

## 20. LONG & SHORT TERM CREDITORS & PROVISIONS

£000's

	2018/19	2017/18
<b>Long term</b>		
TOTAL	0	0
<b>Short term</b>		
Central government bodies	-80	-72
Other local authorities	-50	-80
Receipts in Advance	-47	-35
Other entities and individuals	-224	-273
Accumulative Absences	-55	-47
<b>TOTAL</b>	<b>-456</b>	<b>-507</b>
<b>Provisions</b>		
General Provisions	-	-8
<b>Total</b>	<b>-</b>	<b>-8</b>

## 21. USABLE RESERVES

£000's

2018/19		2017/18
1,008	<b>General Fund</b> : Resources available to meet future running costs of services	1,006
3,952	<b>Earmarked Reserves</b> : Reserves set aside for specific items	3,178
654	<b>Capital Receipts</b> : Proceeds on fixed asset sales available to meet future capital investment	263
<b>5,614</b>	<b>TOTAL</b>	<b>4,447</b>

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

## 22. UNUSABLE RESERVES

£000's

2018/19		2017/18
3,120	Revaluation Reserve	2,761
9,101	Capital Adjustment Account	9,303
-5,077	Pensions Reserve	-3,738
-55	Accumulated Absences Account	-47
<b>7,089</b>	<b>TOTAL</b>	<b>8,279</b>

### 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

£000's

2018/19		2017/18
<b>2,761</b>	<b>Balance at 1 April</b>	<b>2,685</b>
404	Upward revaluation of assets	189
-10	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	-81
-35	Difference between fair value depreciation and historical cost depreciation	-32
<b>3,120</b>		<b>2,761</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. **Note 6** provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

£000's

2018/19		2017/18
<b>9,303</b>	<b>Balance at 1 April</b>	<b>9,351</b>
-240	Charges for depreciation and impairment of non current assets	-249
-509	Revaluations of Investment Assets	8
621	Revaluation on Property, Plant & Equipment	-13
-500	Amounts of non current assets adjusted on disposal	0
35	Depreciation adjusting amounts written out of the Revaluation Reserve	32
46	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	0
345	Capital expenditure charged against the General Fund balances	174
<b>9,101</b>		<b>9,303</b>

### PENSIONS RESERVE

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits 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 directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2018/19	£000's	2017/18
<b>-3,738</b>	<b>Balance at 1 April</b>	<b>-4,638</b>
-685	Actuarial gains or losses on pensions assets and liabilities	1,593
-1,001	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	-1,087
365	Employer's pensions contributions and direct payments to pensioners payable in the year	409
-17	Administration Expenses	-16
0	Rounding	1
<b>-5,076</b>	<b>Balance at 31 March</b>	<b>-3,738</b>

### 23. ACCUMULATED ABSENCES ACCOUNT

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

2018/19	£000's	2017/18
<b>46</b>	<b>Balance at 1 April</b>	<b>49</b>
9	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	-3
<b>55</b>	<b>Amounts accrued at the end of the current year</b>	<b>46</b>

### 24. CASH FLOW STATEMENT –

Adjustment of net surplus or deficit on the provision of services for non-cash movements

2018/19	£000's	2017/18
-240	Depreciation and Amortisation	-250
111	Revaluations and Impairments	-5
97	Movement in creditor/stock/debtors	-110
-653	Provision of Services costs for post employment benefits	-694
-17	Other non-cash items charged to the CIES	6
<b>-702</b>	<b>Total</b>	<b>-1,053</b>

## 25. CASH FLOW STATEMENT OPERATING & INVESTING ACTIVITIES

The cash flows for operating activities include the following items:

2018/19	£000's	2017/18
30	Interest received	15
Nil	Interest paid	Nil

Cash Flows from Investing Activities are:

2017/18	£000's	2017/18
333	Purchase of property, plant and equipment, investment property and intangible assets	200
-1,189	Other receipts from investing activities	-791
<b>-856</b>	<b>Net cash flows from investing activities</b>	<b>-591</b>

Cash Flows from Financing Activities are:

2018/19	£000's	2017/18
-2	Travel Loans: Advances Less Receipts	6
0	Repayment of Long Term Loan	3
<b>-2</b>	<b>Net cash flows from investing activities</b>	<b>9</b>

## 26. 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

## 27. ACQUIRED AND DISCONTINUED OPERATIONS

There are no outstanding liabilities in respect of acquired or discontinued operations.

## 28. TRADING OPERATIONS

The Authority provides services as part of its objective to promote understanding and enjoyment and generates income from a number of sources including the tourist information centres, heritage centres and car parks. However there were no trading operations undertaken at risk during 2018/19 (*nor 2017/18*) as determined under the definitions of this note.

## 29. SCHEMES UNDER THE TRANSPORT ACT 2000

The Authority has not undertaken any schemes under this Act during 2018/19 (*nor 2017/18*).

## 30. AGENCY SERVICES

The Authority did not provide any agency services in 2018/19 (*nor 2017/18*)

## 31. POOLED BUDGET.

The Authority did not participate in any pooled budget arrangements in 2018/19 (*nor 2017/18*)

## 32. MEMBERS ALLOWANCES & EXPENSES PAID IN THE FINANCIAL YEAR 2018/19

Total members' allowances paid during the year amounted to £75,975 (£73,136 in 2017/18) plus reimbursement of travelling, subsistence and other expense payments amounting to £8,287 (£9,116 in 2017/18).

### 33. OFFICERS REMUNERATION

The number of staff with remuneration in excess of £60,000 – earnings subject to Pay as You Earn taxation and pension contributions - was as follows:

	<b>2018/19 £000</b>	<b>2017/18 £000</b>
	<b>Chief Executive Officer</b>	<b>Chief Executive Officer</b>
Gross Pay	81	79
P11D values	1	1
Employer Pension Contributions	11	11
<b>Total</b>	<b>93</b>	<b>91</b>

The median remuneration of the Authority was £20,541 with the ratio of the Chief Executive Officer to the median remuneration of 3.88:1.

There was one compulsory redundancy in 2018/19 but none in 2017/18. 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:

	<b>NUMBER OF SETTLEMENTS</b>			<b>COST £000's</b>
	<b>to £20,000</b>	<b>£20,001 to £40,000</b>	<b>£40,001 to £60,000</b>	
2017/18	1		1	55
2018/19	3		1	14

### 34. AUDIT COSTS

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

	<b>2018/19 £000</b>	<b>2017/18 £000</b>
Fees payable to the Wales Audit Office with regard to external audit services carried out by the appointed auditor.	27	27
Fees payable to the Auditor General for Wales in respect of statutory inspections and the LG Measure 2011.	17	17
<b>Total</b>	<b>44</b>	<b>44</b>

### 35. GRANT INCOME

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

	2018/19	2017/18
	£000	£000
<b>Credited to Taxation and Non Specific Grant Income:</b>		
NPA Grant (Welsh Government funded)	2,954	2,955
Levy on Pembrokeshire County Council	933	985
Other Grant Income (Welsh Government funded)	1,169	1,160
Donations	0	53
	<b>5,056</b>	<b>5,153</b>
<b>Credited to Services</b>		
The Welsh Government: major funding towards, Conservation, Access projects & Carew Castle and Porthgain Harbour and Quarry, Wales Coast Path Marketing.	159	4
Natural Resources Wales: contributed funding towards the National Trail/Coast Path management & maintenance; various woodland schemes, National Parks Wales and the Castlemartin Ranger post.	180	240
Ministry of Defence: Castlemartin Ranger.	20	20
Heritage Lottery: Skills in Action.	7	53
Let's Walk Cymru.		5
TATE Gallery.	8	
Other grants.	11	11
<b>TOTAL GRANTS</b>	<b>385</b>	<b>333</b>

### 36. RELATED PARTY TRANSACTIONS

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority. The Authority has adopted a materiality level of £5,000 for disclosure of related party transaction relevant to members and staff.

The National Park Authority is made up of 18 members, 12 appointed by Pembrokeshire County Council and 6 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 & Hospitality, with register 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 10 and 35 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, internal audit 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 and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. council tax bills, housing benefits). The aggregate level of income and expenditure and end of year balances on the following third parties are:

<b>Organisation</b>	<b>Income £000's</b>	<b>Expenditure £000's</b>	<b>31/3/19 Creditor £000's</b>	<b>31/3/19 Debtor £000's</b>
Welsh Government	4,278	1	0	141
Pembrokeshire County Council	949	263	4	16

During the year the Authority was involved in the creation of Pembrokeshire Coast National Park Trust. In addition to staff time the Authority contributed circa £5k setting up the 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. It has six current trustees, two of whom are members of the National Park Authority. The Authority is also paid subscription of £10k to the National Park Partnership, a limited liability partnership between the 15 U.K. National Park Authorities.

The Authority administered the Sustainable Development Fund (SDF) on behalf of the Welsh Government. In awarding grants to organisations, the SDF Committee of the Authority imposes special grant conditions, which include linking financial performance with achieving agreed milestones. One of the payments made during the year was made to a relative of a member of the Authority's staff who is unconnected with the SDF program. Actual SDF awards made during the 2018-19 financial year that exceeded £5,000 were to the following projects:-

<b>Project Name</b>	<b>Awarded to</b>	<b>Project Description</b>	<b>Amount</b>
Coleg Y Mor	Sea Trust	SDF funding is contributing towards the employment of a part time Project Development Officer to develop the concept of a financially viable Coleg y Mor/Marine Academy at the Ocean lab building in Goodwick. This Welsh centre of excellence will deliver education, scientific research, environmental monitoring and also be a visitor attraction housing a refurbished aquarium.	£11,852
Solva Care Development	Solva Community Council	Solva Care, a not for profit community enterprise, delivers an average of 33 hours of tailored care each week to 40 people and their families. The care provided has been flexible and responsive to need, ranging from dog walking to transport and help with IT.	£9,128
Slipper Limpet Hemocyanin Study	Mikota Ltd	This project is a research study to investigate the extraction of hemocyanin from the slipper limpet and compare it against existing hemocyanins used in pharma products.	£15,538
Sustainable Seaweed Management	Greenseas Resources Ltd	This project focusses on the management of seaweed blooms in the Milford Haven waterway as a way to address the significant environmental issue of high nutrient levels affecting the water quality.	£9,775
The Marine Renewable Supply Chain Development	Pembrokeshire Coastal Forum	The Marine Renewable Supply Chain Development project will assess the supply chain capabilities of Pembrokeshire companies with the potential to diversify into the Marine	£8,968

		Renewable Energy industry.	
South Pembrokeshire Woodland Services	Murray Taylor	The grant was to purchase of a low footprint timber forwarder and extend an established business into low impact woodland and hedgerow management in South Pembrokeshire.	£14,870
Halen Dewi	Ben Lloyd	The grant is to facilitate the transformation of Halen Dewi, St. Davids sea salt from the test trading to a larger, more sustainable production of sea salt. Halen Dewi is unique in Wales and only the second company in the UK to use directly the sun and wind to extract sea salt crystals from sea water.	£7,010
Heritage Gardens	Pembrokeshire National Park Authority	The aim of the project is to encourage and work with local schools within the National park to 'adopt' a local heritage monument where they can help improve the appearance, access, awareness, monitoring and interpretation of the site.	£6,721

### **37. PRIVATE FINANCE INITIATIVES AND SIMILAR CONTRACTS**

The Authority had no PFI and similar contracts in place as at 31/3/19 (nor 31/3/18).

### **38. IMPAIRMENT LOSSES**

These disclosures are consolidated in the notes on the movement over the year in the Property, Plant and Equipment.

### **39. TERMINATION BENEFITS**

During the year 2018/19 the Authority provided £13,940 for specific termination benefits, (£35,757 in 2017/18).

### **40. DEFINED BENEFIT PENSION SCHEMES**

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 at 31<sup>st</sup> March 2016, 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 (ie large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme.

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 & 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 1<sup>st</sup> 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:

Total post employment benefit charged to Comprehensive Income and Expenditure Statement	£000's	
	2018-19	2017-18
<b>Service Costs:</b>		
Current service cost	908	946
Effects of curtailment	-	13
Past Service Cost	-	16
<b>Financing &amp; Investment Income &amp; Expenditure:</b>		
Interest cost on Liabilities	830	803
Interest on Plan Assets	-737	-691
<b>Net Interest On Pension</b>	<b>93</b>	<b>112</b>
<b>Other Operating Income &amp; Expenditure</b>		
Administration Costs	17	16
<b>Total Post-Employment Benefits charged to Surplus / Deficit on Provision of Services</b>	<b>1018</b>	<b>1,103</b>
<b>Other Post Employment Benefits charged to Comprehensive Income &amp; Expenditure:</b>		
Return on plan assets (excluding the amount included in the net interest expense)	1,146	311
Actuary Experience gain/(loss)	-	-
Actuary Gain / (Loss) on financial assumptions	-1,831	1,282
Actuary Gain / (Loss) on demographic assumptions		
<b>Total Post-employment Benefits charged / credited to the Comprehensive Income and Expenditure Statement</b>	<b>-685</b>	<b>1,593</b>
<b>Reversal of charges made to surplus/deficit on provision of services in the Movement in Reserves Statement</b>		
Current service cost	-908	-946
Past service gain / loss	-	-16
Effects of curtailment	-	-13
Interest cost on Liabilities	-830	-803
Interest on Plan Assets	737	691
Administration Costs	-17	-16
<b>Actual Amount charged against General Fund</b>	<b>-1,018</b>	<b>-1103</b>
<b>Employer Contributions</b>	<b>365</b>	<b>409</b>



## Assets and Liabilities in Relation to Post-employment Benefits

Reconciliation of present value of the scheme liabilities (defined benefit obligation):

	<b>Funded liabilities: Local Government Pension Scheme £000's</b>	
	<b>2018/19</b>	<b>2017/18</b>
Benefit Obligations at beginning of Year	<b>32,212</b>	<b>32,430</b>
Current Service Cost	908	946
Interest On Pension Liabilities	830	803
Member Contributions	177	173
Past Service Cost	-	16
Actuarial (Gains)/Losses on Liabilities	-	-
Remeasurement of Liabilities:	-	-
Experience (gain)/loss	-	-
(Gain) / Loss on financial assumptions	1,831	-1,282
(Gain) / Loss on demographic assumptions	-	-
Curtailments	-	13
Benefits Paid	-778	-887
Benefit Obligations at End of Year	<b>35,180</b>	<b>32,212</b>

## Reconciliation of Present value Scheme Assets:

	<b>Local Government Pension Scheme £000's</b>	
	<b>2018/19</b>	<b>2017/18</b>
<b>Fair Value at beginning of Year</b>	<b>28,474</b>	<b>27,792</b>
Interest on / Expected Return on Plan Assets	737	692
Remeasurement / Actuarial Gains/(Losses) on Assets	1,146	311
Administration Expenses	-17	-16
Employer Contributions	365	409
Member Contributions	177	173
Benefits/transfers paid	-778	-887
Roundings	-1	
<b>Fair Value at End of Year</b>	<b>30,103</b>	<b>28,474</b>
<b>Actual return on scheme assets</b>	<b>1,882</b>	<b>1,002</b>

## Statement of Recognised Gains & Losses

	<b>2018/19 £000's</b>	<b>2017/18 £000's</b>
Restatements / Actuarial (Gains)/Losses	685	-1,593
<b>Total pension cost recognised in MiRS</b>	<b>685</b>	<b>-1,593</b>

The *current service costs* reflect the increase in 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, William M Mercer Ltd, and are based on the actuarial valuation report at 31<sup>st</sup> March 2016. *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 31<sup>st</sup> March 2019 are as follows:

<b>DYFED PENSION FUND</b> <b>(Pembrokeshire Coast National Park Authority)</b> <b>31 March 2019</b>	
	<b>£000</b>
Present Value of Funded Benefits Obligations	35,125
Present Value of Unfunded benefit obligations	55
Total present value of Benefit Obligations	<b>35,180</b>
Fair Value of Plan Assets	(30,103)
Unrecognised Past Service	-
<b>Deficit</b>	<b>5,077</b>

#### Prior Year Scheme Values

<b>Scheme Year</b>	<b>Present value Scheme Liabilities(£000)</b>	<b>Fair Value of Scheme Assets (£000)</b>
31st March 2018	32,212	28,474
31st March 2017	32,430	27,792
31st March 2016	26,134	22,766
31 <sup>st</sup> March 2015	26,751	23,227
31 <sup>st</sup> March 2014	21,868	20,300
31 <sup>st</sup> March 2013	23,884	18,968
31 <sup>st</sup> March 2012	19,976	16,514
31 <sup>st</sup> March 2011	18,005	15,986
31 <sup>st</sup> March 2010	19,339	14,391
31 <sup>st</sup> March 2009	13,266	10,137

The main assumptions are set out below:

ACTUARIAL ASSUMPTIONS		End of Year	Start of year
<i>Financial Assumptions</i>			
Rate of CPI inflation / CARE benefits revaluation		2.2%	2.1%
Rate of increase in salaries		3.7%	3.6%
Rate of increase in pensions in payment / deferment		2.3%	2.2%
Discount rate		2.4%	2.6%

Detailed assets breakdown are as follows.

Investment Category			Quoted	31 March 2019	31 March 2018
			(Y/N)	£000's	
Equities:	UK quoted		Y	5,871	5,784
	Overseas pooled funds (unquoted)		N	6,773	6,406
	US		Y	3,221	2,847
	Canada		Y	120	142
	Japan		Y	993	968
	Pacific Rim		N	331	740
	Emerging Markets		N	2,649	2,249
	European ex UK		Y	843	968
Bonds:	UK Government indexed		Y	1,836	2,790
	UK Corporate		N	3,191	2,733
Property:	Property Funds		N	4,094	2,676
Cash:	Cash accounts		Y	181	85
	Net current assets		N		85
<b>Total</b>				<b>30,103</b>	<b>28,473</b>

Post Retirement mortality assumptions

	End of Year	Start of Year
Non-retired members	S2PA CMI_2015_1.5% Tables Males - 97% Females - 90%	S2PA CMI_2015_1.5% Tables Males - 97% Females - 90%
Retired members	S2PA_CMI_2015_1.5% Tables Males - 97% Females - 90%	S2PA_CMI_2015_1.5% Tables Males - 97% Females - 90%

## Life Expectancy

	End of Year	Start of Year
Of males (female) future pensioner aged 65 in 20 year's time	25.2 (28.1) years	25.1 (27.9) years
Of males (female) current pensioner aged 65	23 (25.7) years	22.9 (25.6) years

## Risk and Pension Sensitivity Analysis

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. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policies note.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table below. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method.

	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
		+0.1% p.a. discount rate	+0.1% p.a. inflation	+0.1% p.a. pay growth	1 Year increase in life expectancy
Disclosure Item	£000's				
<b>Liabilities</b>	35,180	34,552	35,821	35,295	35,871
<b>Assets</b>	(30,103)	(30,103)	(30,103)	(30,103)	(30,103)
<b>Deficit ( Surplus)</b>	5,077	4,449	5,718	5,192	5,768
<b>Projected Service Costs for next year</b>	990	962	1,019	990	1,010
<b>Projected Net Interest Costs for Next year</b>	118	107	133	120	134

## History of experience gains and losses

The actual gains identified as movement on the Pension Reserve can be analysed into the following categories.

	2018/19 %	2017/18 %	2016/17 %	2015/16 %	2014/15 %	2013/14 %	2012/13 %
Actuarial (gains) / losses on Assets	(3.8)	(1.1)	(15.9)	4.2	(9.1)	(2.4)	(7.8)
Actuarial (gains) / losses on liabilities	5.2	(4.0)	(16.4)	5.8	(14.2)	(16.6)	(10.9)

## Market value of whole fund assets (£millions)

End of Year	Start of year
2,394	2,535

The end of year figures for the market value of the assets and the split between investments categories have been calculated as at 31/12/18. The corresponding split of assets at the start of the year has been calculated as at 31/3/18. The actuarial assumptions used in the calculation of the end of year balance sheet liabilities are based on the 2016 actuarial valuation assumption, other than the financial assumptions which are shown above. A deduction of £17,000 in respect of expenses was made for the year.

The forecasted employer's contribution for 2019/20 is £362,000; implied service cost including net interest cost £118,000 and administration cost of £17,000. The projected deficit as at 31/3/20 is expected to be £5,840,000.

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](http://www.dyfedpensionfund.org.uk)

### 41. Prior Year adjustment

There were no prior year adjustments in the financial year 2018-19

## **STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS**

**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 Chief Financial Officer.
- to manage its affairs to secure economic, efficient, effective and best value use of resources and to safeguard its assets.
- to approve the statement of accounts by the statutory deadline.

Chairman.....

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 of Practice').

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 Code of Practice;

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 2018/19* presents a true and fair view of the financial position of the Authority at 31<sup>st</sup> March 2019 and its income and expenditure for the year ended 31<sup>st</sup> March 2019

**R.E.GRIFFITHS** .....

**Chief Financial Officer**

**Date** .....

# **2018/19 ANNUAL GOVERNANCE STATEMENT**

## **I. Introduction**

The Pembrokeshire Coast National Park Authority (“the Authority”) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for and used economically, efficiently, and effectively. It is a Welsh improvement authority under section 1 of the Local Government (Wales) Measure 2009 and as such has a general duty under section 2 to make arrangements to secure continuous improvement in the way in which its functions are exercised. The Authority is also a public body as defined under the Wellbeing of Future Generations Act legislative requirement since 1<sup>st</sup> April 2016.

The Authority has an approved Code of Corporate Governance, which is consistent with 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. This guidance recommends that the review of effectiveness of the system of internal control that local authorities are required to undertake in accordance with the Accounting and Audit Regulations should be reported in an Annual Governance Statement. In Wales the inclusion of the Annual Governance Statement in the Statement of Accounts is voluntary. In CIPFA also published an “Application Note to Delivering Good Governance in Local Government: A Framework”. This note has been developed to advise on the application of the “Statement of the Role of the Chief Financial Officer on Local Government” under the CIPFA/SOLACE Framework “Delivering Good Governance in Local Government”. The Authority reviews and adopts any additional guidance as issued and has decided to adopt the CIPFA framework and Annual Governance Statement approach for 2016/17.

## **II. The purpose of the Governance framework**

The governance framework comprises the committees, systems and processes, cultures and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

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

## **III. The Governance framework**

There is clear definition of the roles of Members and officers and a clear committee and decision making structure. This is based on:

The Authority

The Authority comprises 18 Members and will meet at least 6 times a year and its main functions are:

- To approve the development of the Authority's strategic corporate planning framework through the National Park Management Plan (every five years), the Local Development Plan (every five years), and the Corporate Resources Plan (annually).
- To determine all policy matters in support of its strategic planning objectives. The Authority may receive advice from its committees and may also set up task and finish advisory groups to investigate and advise on specific matters.
- To determine all Service Standards and the Authority's Statutory Duties.
- To agree policies relating to the management of the Authority's resources i.e. finance, staffing and assets; and to approve the budget, levy, charges, and the Annual Accounts.
- To ensure that the Authority complies with all legislation affecting its services.
- To determine membership of other committees, task & finish groups, working groups and advisory groups, within the Authority, and their terms of reference, and the Authority's representation on external bodies and organisations.
- To determine the delegation of the Authority's responsibilities to other committees of the Authority and when appropriate to the Chief Executive.

#### Audit and Corporate Services Review Committee

The Committee will comprise 9 Members of the Authority to be selected and/or confirmed at the Annual General Meeting each year. The Committee meets quarterly, and its role is to exercise the powers and duties of the Authority in relation to the following functions:

1. Regulatory Framework
  - To monitor the Authority's performance against the National Park Management Plan
  - To oversee the production of the Annual Governance Statement and to monitor the Authority's performance against the associated Action Plan
  - To monitor the Authority's performance against the annual Strategic Grant Letter
  - To monitor performance against the Welsh Government's Standards relating to the Welsh language
  - To monitor performance against the Authority's adopted Service Standards
2. Audit Activity
  - To consider reports from the Wales Audit Office (e.g. the Annual Improvement Report, Annual Audit Letter) and to monitor the Authority's performance thereon
  - To consider reports from Internal Audit on the Authority's financial systems and controls
3. Finance
  - To consider quarterly reports on the Authority's financial performance and budgetary matters
  - To monitor the Authority's performance in relation to its Annual Statement of Accounts
4. Human Resources
  - To monitor the Authority's performance:
    - against its adopted HR policies
    - in relation to Health and Safety



5. Information Technology
  - To monitor the Authority's performance in relation to its Information Technology Strategy
6. Performance Management
  - To consider quarterly reports on the *Ffynnon* performance management system and to monitor the Authority's performance thereon
  - To review the Authority's Risk Register in terms of Audit and Corporate functions and make any recommendations to the National Park Authority to change levels of risk
  - To consider reports of the meetings of the Continuous Improvement Group
7. Communications
  - To monitor the Authority's performance in relation to Communications and Marketing
8. Other issues
  - To review any issue referred to it by the National Park Authority, any of its Committees or the Chief Executive Officer
  - To determine an Authority response on any proposals that affect the National Park or the Authority, its powers, duties, functions and responsibilities, particularly but not exclusively, from central, regional or local government, neighbouring authorities, partnerships and other external bodies where the proposals are relevant to the functions of the Committee and where the Chief Executive considers that such response should be determined by the Committee

#### Development Management Committee

The Development Management Committee is responsible for carrying out the Authority's statutory planning functions in relation to the determination of applications, appeals and enforcement matters, and allied issues relating to development and the regulation of uses and activities.

The terms of reference of the Development Management Committee are:

- (a) Except where those powers and duties have been delegated by the Authority to one of its officers and subject to its decisions being in conformity with the Authority's approved statements and plans the Committee shall exercise, with power to act, all the powers and duties of the Authority relating to the consideration of planning, listed building and conservation area applications, notification schemes, tree preservation orders, the control of development and the enforcement of such control, and other consultation schemes where appropriate.
- (b) Where Members resolve to take a decision, contrary to an officer's recommendation, which the Chief Executive, the Director of Planning or the Development Management Team Leader identifies as constituting a significant departure from an approved plan or policy of the Authority, or as otherwise having significant implications for the Authority, the decision shall be deferred until the next meeting of the Committee.  
  
If, ultimately, the Committee's decision is contrary to the officer recommendation, there shall be taken a full minuted record of Members' reasons for rejecting the officer recommendation, together with a recorded vote.
- (c) To receive reports from time to time from the Chief Executive (National Park Officer) and other officers on the exercise of any functions relating to the control of development which may have been delegated to them.

- (d) To deal with all matters relating to the designation and administration of Conservation Areas.

#### Operational Review Committee

The Committee comprises 9 Members of the Authority, to be selected and/or confirmed at the Annual General Meeting each year. The Committee meets on a quarterly basis and considers reports to the Authority on its performance. The role of the Committee is:

1. To monitor performance and make recommendations to the National Park Authority in relation to the functions of:
  - Development Management
  - Park Direction
  - Countryside, Community and Visitor Services
2. To review the Authority's Risk Register in relation to the above-mentioned functions and make any recommendations to the National Park Authority to change levels of risk.
3. To review the Authority's financial performance in relation to the functions of the services referred to in 1 above.
4. To review any issue referred to it by the National Park Authority, any of its Committees or the Chief Executive.
5. To determine an Authority response on any proposals that affect the National Park or the Authority, its powers, duties, functions and responsibilities, particularly but not exclusively, from central, regional or local government, neighbouring authorities, partnerships and other external bodies where the proposals are relevant to the functions of the Committee and where the Chief Executive considers that such response should be determined by the Committee.

#### Continuous Improvement Group

The Continuous Improvement Group consists of four Members of the Authority plus the Chief Executive. The membership includes the Chairman and Deputy Chairman of the Authority along with the Chairs of the two Review Committees. The Group has authority to invite attendance of other Members or officers if the work programme indicates that their attendance or experience would add value to its work.

#### 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 Gateway Assure. The terms of reference for internal audit require that work is conducted in accordance with standards as set out in the CIPFA Code of Practice for Internal Audit in Local Government. Gateway Assure provide an audit opinion which is reported to the Authority and act as the Chief Audit Executive.

#### External Audit

Wales Audit Office act as the Authority's external audit and make comments following their financial accounts and performance work and in the annual audit letter. They also express an opinion on the adequacy of internal audit work.

### Section 151 Officer

Within the Authority the Finance Manager also acts as the Section 151 Officer. The Authority complies with the CIPFA “Statement on the Role of the Chief Financial Officer in Local Government”. The Finance Manager is also a member of the Authority’s Leadership Team.

### Sustainable Development Fund Committee

The Authority has a Sustainable Development Fund Committee that consists of Authority Members and independent advisors who provide advice on the awarding of SDF grants.

### The Executive

An Executive structure for decision making for officers is based on a Senior Management Team and a Leadership Team.

### Principles of Governance

The review of the effectiveness of the Authority systems of governance is undertaken in accordance with the following 6 CIPFA principles:

- Focusing on the Authority’s purpose, on outcomes for the community including citizens and service users and creating and implementing a vision for the local area
- Members and officers working together to achieve a common purpose, with clearly defined functions and roles
- Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- Developing the capacity and capability of Members and officers to be effective
- Engaging with local people and other stakeholders to ensure robust public accountability

#### IV. Actions Taken During The Year

Previously identified Significant Governance Issues, the actions taken to tackle these issues and their evaluations are shown in the table below:

<b>Governance Issues Identified</b>	<b>Action proposed</b>	<b>Evaluation</b>
Document Management System	Review alternative systems	The Authority introduced the APAS Document Management System during the year.
Action Wales Audit Office Pilot recommendations on scrutiny, internal and external communication, engagement, appraisals process, equality and the Welsh Language	Workshops with Members. Staff Reps, Leadership Team Action recommendations from these Workshops Pilot internal newsletter and other mechanisms and forums to promote internal communication and collaboration	The Authority now has in place an engagement action plan, focused on three priority areas and three long term areas. Internal newsletter has been carried out. Staff have been assisted with carrying out equality impact assessment. SMART measures developed for Welsh Language Strategy.
National Park Grant Funding	Continue to work with Welsh Government to respond to funding position and developing a medium term financial plan	
Support staff to deliver on General Data Protection Regulations Compliance	Data Protection Officer in Place. Data register and update of policy and guidance for staff in place. Data Protection Awareness raising week held. Review of Privacy Notices. Data Protection Impact Assessment Framework in place.	Data Protection Officer in place and supporting policies, protocols and guidance are being developed. Overarching privacy notice on Authority website. Data Protection Impact Assessment Framework in place. Ongoing support being provided to staff.
Benchmarked – Planning Performance: Enforcement	Clear back log of historical cases	Enforcement officers have focused on clearing the backlog of historical cases during 2018/19, with the backlog cleared by the end of March 2019.

## **V. Review of Effectiveness**

The Authority is responsible for conducting an annual review of the effectiveness of its governance framework including the system of internal control. This review is informed by the work of the Authority's Members and its Committees, internal and external auditors, other review agencies (as appropriate) and senior managers who have responsibility for the development and maintenance of the internal control environment. The normal process of review has been impacted by the delay in the production of the Annual Improvement Report from the Wales Audit Office.

The review is based on the six principles of the CIPFA Code of Corporate Governance.

### **Principle 1**

**Focusing on the Authority's purpose, on outcomes for the community including citizens and service users and creating and implementing a vision for the local area.**

The Authority has been focusing on developing work to ensure that it is 'fit for purpose' to meet the challenges of the future.

#### Future Landscapes Wales Programme

During the year the Welsh Government published a new priorities statement for National Parks and Areas of Outstanding Natural Beauty, called "Valued and Resilient". This statement outlined twelve priority areas under four main themes:

- Valued Places
- Resilient Environments
- Resilient Communities
- Resilient Ways of Working

The Authority, in partnership with other designated areas has undertaken work to identify how we can deliver on these priorities.

#### The Wellbeing of Future Generations Act

The Authority has worked with the Welsh Local Government Association (WLGA) as an Early Adopter and undertaken Member and officer training with Brecon Beacons and Snowdonia National Park Authorities (NPAs). The Corporate and Resources Plan for 2018/19 has been prepared to deliver against the seven Well-being Goals set by Welsh Government. The plan shows budget distribution across the Well-being Goals and the Authority's Well-being Objectives.

During 2018/19 the Wales Audit Office carried out a view of partnerships and collaborations as part of its work on developing new approaches to audit. They carried out a Stakeholder Survey and interviews focused on two partnerships, the Local Access Forum and the Pembrokeshire Nature Partnership.

The Authority completed the Future Generations Commissioners' Self Reflection Toolkit which enabled the Authority to assess its performance against the five ways of working. The Commissioner's office arranged workshops to help public bodies learn together and evaluate each other's responses.

#### Demonstrating Strategic Leadership

The Authority's current National Park Management Plan (NPMP) 2015/19 was approved in 2014 and a process has commenced to develop a new Management Plan to be approved during 2019-20.

#### Corporate and Resources Plan

The three National Park Authorities in Wales have agreed to work to a common format of an annual Corporate and Resources Plan to meet the requirements of both The Well-being of Future Generations (Wales) Act 2015 and Local Government (Wales) Measure 2011. The Corporate and Resources Plan document sets out the Authority's Well-being objectives (which are also the Authority's Improvement objectives) and aligned work programme for the forthcoming year and acts as our Annual Improvement Plan Part 1. The Well-being of Future Generations Act also requires public bodies to act in accordance with the sustainable development principles and this document highlights how these principles are embedded in the work carried out to achieve our objectives.

#### Quality of Service

The Authority carries out surveys of the effectiveness of its service delivery through customer satisfactions surveys, performance against quality standards and by monitoring formal complaints which remain at a low level.

#### Ffynnon System

The Authority has continued to adopt the Ffynnon system to ensure that we develop and manage a robust system of performance information to highlight the impact of the work undertaken by the Authority. Performance review committee reports are prepared from information captured on Ffynnon.

#### Community Engagement

The Authority has endorsed Participation Cymru's 10 National Principles for Public Engagement in Wales. An engagement plan has been developed to help focus and drive action in this area with three priority areas and three longer term areas. An engagement action plan group has been set up to monitor implementation of the action plan.

An opportunities and challenges document was produced to inform the revision of the National Park Management Plan and was circulated for comment in the latter part of 2018. As part of this process the Authority has carried out engagement activities to explore mechanisms for engaging with a wider audience. This included a session with Gypsy and Traveller young people and people engaged with the Solva Care Project.

During 2018/19 the Authority has focused on how it can improve engagement with young people in relation to governance and influencing the work of the Authority. The Authority's Youth Rangers attended the November 2018 NPA meeting and presented the Euro Park Youth Manifesto to Members. A subsequent meeting was arranged between Members and the Youth Rangers to further develop work in this area.

The Authority is part of the Pembrokeshire Engagement Network which promotes engagement practice and provision in Pembrokeshire..

#### Membership of Public Service Board

The Authority is an invited member of the Pembrokeshire Public Services Board (PSB). The PSB agreed the Pembrokeshire Well-being Plan, and the Authority's Corporate Plan reflects the Well-being Objectives in the Plan.

## Welsh Language Strategy

The Authority has in place a 5 year Welsh Language Strategy and has developed SMART measures that sit under it. Under the Welsh Language (Wales) Measure 2011, all local authorities in Wales must comply with a framework of Welsh Language Standards. Standard 145 requires the Authority to produce a 5-year strategy that sets out how we propose to promote the Welsh language more widely in the National Park. The strategy must also include a target (in terms of the percentage of speakers in the National Park) for increasing or maintaining the number of Welsh speakers in the National Park by the end of the 5 year period concerned, together with a statement setting out how we intend to reach that target.

### **Principle 2**

**Members and officers working together to achieve a common purpose, with clearly defined functions and roles.**

#### National Park Grant and Levy

In July 2018 the Welsh Government notified the Authority that the budgeted 5% reduction in the National Park Grant for 2018/19 would not be imposed and resulted in the grant being £145K higher than anticipated. However due to the timing of this notification the Levy from Pembrokeshire County Council had to remain at the initial budgeted funding level as approved by the Authority in Levy letter of February 2018.

#### Scrutiny Committee

Members and officers have in place an agreed scrutiny process, through which they can assess how successful National Park Authority policies are working.

#### Member and officer Joint Training & Development

During the year Members & officers undertook joint training sessions which covered the following areas:

- “Shedding light” seminar on the Authority’s dark skies project
- CHERISH Interreg project looking at coastal heritage at risk due to increased storminess and climate change
- Brexit Workshop looking at the impact the various Brexit scenarios on the agricultural sector in Wales.

#### Consultations

Members have contributed their comments to responses to Welsh Government and other bodies’ consultation papers including:

- Draft Planning Policy Wales Edition 10 consultation
- Public Rights of Way Improvement Plan for Pembrokeshire
- Independent Remuneration Panel for Wales’ draft Annual Report 2019/20:
- Pembrokeshire County Council’s LDP:

#### Employee Forum

The Authority has in place an Employee Forum. The purpose of the Forum is to provide a platform for Members and staff to maintain open and collaborative employee relations by discussing a range of employee matters and gaining an understanding from each other on issues facing the Authority.

### **Principle 3**

#### **Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour.**

A Code of Conduct for Members and a Code of Conduct for Officers is in place. Issues relating to breaking the Code of Conduct are dealt with by the following:

##### The Standards Committee

It is the responsibility of the Authority's Standards Committee to promote high standards of conduct by Members and officers. It does this by advising on and promoting awareness and understanding of the code of conduct for Members and the code of conduct for officers, both of which have been adopted by the Authority.

##### Monitoring Officer

The statutory Monitoring Officer functions are set out in Section 5 of the Local Government and Housing Act 1989 (as amended) i.e., in short, to report to the Authority if the Monitoring Officer considers that any proposal, decision, or omission by the Authority may give rise to unlawfulness or maladministration.. During the year the Authority appointed a new Monitoring Officer and agreed the appointment of the Administration and Democratic Services Manager as Deputy Monitoring Officer.

##### Public Services Ombudsman for Wales

The Public Services Ombudsman for Wales has jurisdiction over the Authority's functions by virtue of the Public Services Ombudsman (Wales) Act 2005. He has not made any investigation into the Authority either in relation to any alleged breaches of the Members' Code of Conduct adopted by the Authority on 25 June 2008, or in relation to a complaint made against the Authority.

##### Staff Members

Issues relating to the conduct of staff are normally considered in accordance with the Authority's Disciplinary procedures. All Authority staff have annual performance appraisals. This process allows an opportunity for managers and staff to review past performance, highlight potential areas of concern and agree future objectives to ensure they are linked to service plan/corporate targets.

##### Whistle Blowing Policy

In the Public Interest Disclosure Act 1998 the Government has given statutory protection to employees who 'blow the whistle' by speaking out against corruption and malpractice at work. It protects them against victimisation and dismissal. The Authority approved and adopted such a policy in 2002 which was updated in 2009. In its commitment to the highest standards of openness, probity and accountability, the policy states "The Authority encourages employees and others with serious concerns about the Authority's work to come forward and raise their concerns with the Authority".

##### Standing Orders

The Authority reviewed its Standing Orders during the year to reflect changes in legislation, to formalise practices that had evolved over the years and to incorporate best practice from other local authorities. The revised set of Standing Orders was adopted on the 14<sup>th</sup> June 2017.

##### Safeguarding Policy

The Authority approved a safeguarding policy. The policy aims to ensure that sound working practices are in place that put safeguarding as a priority and which are effective in managing risk for



these vulnerable groups, but which will also protect staff and volunteers against wrongful or malicious allegations.

#### Anti-Fraud and Bribery Policy

The Authority has in place approved an Anti-Fraud and Bribery Policy. The policy covers all employees, volunteers and members of the Authority. It incorporates the changes to the bribery legislation that have been included in the Bribery Act 2010. The Bribery Act 2010 establishes criminal offences and individuals found guilty can face an unlimited fine and imprisonment up to ten years. Where an organisation itself is found guilty of the offence then the penalty is an unlimited fine.

#### Financial Standards

The Authority recently revised its Financial Standards, the purpose of which is to provide a financial framework within which the Authority can operate. The Standards will assist the Authority in ensuring that:

- Legislation is complied with.
- The assets of the Authority are safeguarded.
- The funds available are spent wisely and efficiently.
- Appropriate income generation is undertaken.
- Best value is achieved

#### Data Protection and GDPR compliance

Following on from preparation work carried out in advance of the the General Data Protection Regulations coming into force on the 25<sup>th</sup> May 2018 and the passing of the Data Protection Act 2018 the Authority has continued to review its practices and identifying and implementing actions to ensure compliance. . Actions identified have been informed by guidance from the Information Commissioner's Office Activities undertaken include appointing a Data Protection Officer, the creation of a data register, awareness raising with staff and Members through presentation on GDPR at a Staff meeting and at Committees and reviewing policies and practices.

#### **Principle 4**

#### **Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.**

The Authority has taken the following action to improve its processes and structures and also to tackle identified issues of risk.

#### Risk Management

The Risk Register is presented to each meeting of both the Audit & Corporate Services and Operational Review Committees and annually to the Authority. It is regularly reviewed by the Leadership Team when current risks are reviewed and new risks evaluated. Following feedback from its internal auditor in 2018, the Authority has reviewed the risk methodology it uses for its Risk Register and made changes to how it approaches risk management.

#### Performance Management

The Authority uses the Ffynnon performance management system. Staff update the Ffynnon system directly with information to update performance reporting on a regular basis.

### Upgrading systems infrastructure

During 2018/19 the Authority undertook work on the following IT systems; document management system and an online recruitment system. A process to improve the working practices of the Authority via the use of digital technology is continued to be explored.

### Internal Audit 2018/19

As part of the Authority's corporate governance programme a risk assessment was made on all its services and formed the basis of the work carried out during 2018/19 by the Authority's internal auditors Gateway Assure. The focus of the Audit was on the following areas:

- Departmental Review – Carew Castle
- Exchequer (Accounting) Software
- Performance Management
- Departmental Review – Castell Henllys
- Corporate Governance
- Risk Management

### The Chief Audit Executive's Opinion

Robin Pritchard of Gateway Assure, the Authority's Internal Auditors, gave the following audit opinion for the year 2018/19:

“Overall in our opinion, based upon the reviews performed during the year, the Pembrokeshire Coast National Park Authority:

- has adequate and effective risk management;
- has adequate and effective governance; and
- has adequate and effective control processes.”

### Committees

Individual service team leaders update Members of their respective Review Committee with details of the work in progress within their respective teams. There is a clear documenting of decisions, meeting agenda and minute process. Members therefore make decisions based on timely and accurate information, although some decisions are deferred to allow Members more time for considered decisions.

### Wales Audit Office Reports

Wales Audit Office passes an opinion on its review of the Authority's performance and Statements of Accounts which is recorded in the WAO Improvement Assessment Letter and the ISA 260 report.

### Wales Audit Office National Park Authorities – Governance Review

Following the Auditor General's consultation on the Well-being of Future Generations Act and audit, all three National Park Authorities in Wales agreed to work with the Wales Audit Office in piloting approaches to audit under the Act. It has been agreed that over the next four years, the Wales Audit Office will undertake a series of governance reviews aimed at facilitating improved governance in the context of the Well-being of Future Generations Act.

During 2018/19 the Wales Audit Office carried out a review of partnerships and collaborations as part of its work on developing new approaches to audit. They carried out a Stakeholder Survey and interviews focused on two partnerships, the Local Access Forum and the Pembrokeshire Nature Partnership.

The Authority completed the Future Generations Commissioners' Self Reflection Toolkit which enabled the Authority to assess its performance against the five ways of working. The Commissioner's office arranged workshops to help public bodies learn together and evaluate each other's responses.

#### Annual Report on meeting the Well-being objectives

In 2018/19 the Authority published its Annual Report on meeting the Well-being Objectives (which also acted as our Annual Improvement Plan Part 2 under the Local Government (Wales) Measure 2011). This report sets out our performance on delivery in 2017/18 against the Authority's Well-being Objectives.

#### Benchmarking

The Authority undertakes benchmarking activities across a number of areas. Key performance indicators within the annual Corporate and Resources Plan are benchmarked against other National Park Authorities where comparative data is available. The Authority submits an Annual Performance Report every November as part of the Welsh Government Planning Performance Framework. The annual report discusses how the Authority has performed against the indicators, identifying what it had done well so that this can be shared with others, and what steps might be taken to address areas of performance in need of improvement. Through the Framework the Authority is able to benchmark its performance against other Planning Authorities in Wales.

### **Principle 5**

#### **Developing the capacity and capability of Members and officers to be effective.**

The Authority has undertaken the following to develop the capacity and capability of Members:

#### Member induction

During the year there were no induction sessions

#### Wales Charter for Member Support and Development

The Authority currently holds Charter status, and working towards Advanced Charter status, for the Welsh Local Government Association's Wales Charter for Member Support & Development. The Authority is also working towards establishing a Member development committee.

#### Staff Development

Learning and development needs are identified at annual performance reviews and priority 1 needs form the basis of the plans for the year. All new staff are 'inducted' on an individual basis when they start, with an annual corporate induction with the Chief Executive and Directors, and the opportunity to attend an all-UK National Park event. Appropriate certificated training is identified and scheduled with periodic refreshers.

Both team leaders and administrative staff participated in professional development programmes run by Pembrokeshire County Council. A cross authority programme to support administration staff is ongoing

Staff are able to access a wide range of appropriate training opportunities from ensuring that they are able to continue to meet the requirements of their role. In addition, staff access training provided by Academy Wales, and during this year Authority staff have attended the All Wales Public Services Summer School and a programme on "Leading in Complex and Challenging Organisations".

### Health and Safety

Health and Safety is a high priority for the Authority and the Health and Safety Committee, which includes representatives from across the organisation meets four times a year. The minutes of these meetings are presented to Members.

During the year the Authority undertook a process to revise its Health and Safety Policy. The main driver for this was to reflect additional work undertaken in relation to Visitor Safety in the Countryside. The new policy was approved by Members.

The Health and Safety Action Plan identified the following risk priorities:

- Sedentary behaviour
- Work related Stress
- Work related Musculo-skeletal issues
- Fitness for lifetime working (especially in practical roles and nearing retirement)

### **Principle 6**

#### **Engaging with local people and other stakeholders to ensure robust public accountability.**

During the past year the Authority has sought to engage with local people and stakeholders through a range of consultations. Following last year's survey of community councils training sessions on planning have been provided to all who requested it.

The Authority proposes to continue to undertake consultation with residents, visitors, organisations and other stakeholders on a long term strategy on service delivery on the reducing funding anticipated over the next few years.

### Strategic Plans

The Local Development Plan Deposit Public Consultation took place over April and May 2018 with a further focussed changes consultation commencing in December 2018.

An opportunities and challenges document was produced to inform the revision of the National Park Management Plan and was circulated for comment in the latter part of 2018. As part of this process the Authority has carried out engagement activities to explore mechanisms for engaging with a wider audience. This included a session with Gypsy and Traveller young people and people engaged with the Solva Care Project.

The public consultation on the draft Rights of Way Improvement Plan for Pembrokeshire took place between the 9<sup>th</sup> May and 3<sup>rd</sup> August 2018. This is a joint plan between Pembrokeshire County Council and Pembrokeshire Coast National Park Authority. There were 18 formal written responses to the Plan, 15 from groups and organisations and three from individuals. Pembrokeshire Local Access Forum have been closely involved in the Plan preparation process.

In preparation for the revision of the Authority's Strategic Equality Plan for 2020 – 2024, the Authority in 2018/19 has been involved in preparations for a consultation exercise involving a major equalities perception survey to be carried out by a consortium of public bodies in south west Wales, managed by Carmarthenshire County Council in 2019/20.

### Partnership working arrangements

The Authority works with a number of external bodies helping to improve value for money and in communicating with various other interest groups to deliver a number of common projects, e.g.:

- Carmarthenshire County Council; SLA's Payroll / Pension, Minerals
- South Wales Local Authority Purchasing Group
- Brecon Beacons & Snowdonia National Parks Authorities, brokerage Insurance / joint IT manager; there has been significant engagement with Town and Community Councils on the changes in planning guidance and on Budget priorities for the Authority.
- Public Services Board
- National Park Partnership on corporate social responsibility options and other sponsorship funding
- The UK National Parks and National Parks Wales.

### Engagement with Young People

During 2018/19 the Authority has focused on how it can improve engagement with young people in relation to governance and influencing the work of the Authority. The Authority's Youth Rangers attended the November 2018 NPA meeting and presented the Euro Park Youth Manifesto to Members. A subsequent meeting was arranged between Members and the Youth Rangers to further develop work in this area.

### Embedding Engagement across the Authority

The Authority has endorsed Participation Cymru's 10 National Principles for Public Engagement in Wales. An engagement plan has been developed to help focus and drive action in this area with three priority areas and three longer term areas. An engagement action plan group has been set up to monitor implementation of the action plan.

## **VI. Significant Governance Issues**

<b>Governance Issues Identified</b>	<b>Action to be taken</b>
National Park Grant Funding	Continue to work with Welsh Government to respond to funding position and developing a medium term financial plan
Plan in place to fulfil S6 duty of the Environment Act setting out what actions the Authority proposes to maintain and enhance biodiversity, and promote resilience. by end of 2019	Plan drafted and approved by Members by end of 2019.
Adopt new methodology for risk Management as advised by internal auditors	New methodology for risk management applied to risk register.
Responding to Impact of Brexit	Participate in engagement opportunities on withdrawal from EU provided by the Welsh Government and contribute to opportunities to influence UK and Welsh policy on land management.
Review of how we work focused on current digital systems and identification of gaps to improve efficiency and collaboration across the Authority.	Review carried out. Recommendations provided.
Improve communication of corporate policies and standards to staff.	Review of current standards and policies in place. Communication activities with staff.

## **VII. OPINION**

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

SIGNED \_\_\_\_\_  
Chairman

DATED \_\_\_\_\_

SIGNED \_\_\_\_\_  
Chief Executive

DATE \_\_\_\_\_

SIGNED \_\_\_\_\_  
Section 151 Officer

DATE \_\_\_\_\_

# **Audit report of the Appointed Auditor to the Pembrokeshire Coast National Park Authority**

Auditor General for Wales' report to the Members of Pembrokeshire Coast National Park Authority

Report on the audit of the financial statements

## **Opinion**

I have audited the financial statements of the Pembrokeshire Coast National Park Authority for the year ended 31 March 2019 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 the Code of Practice on Local Authority Accounting in the United Kingdom 2018 based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the financial position of Pembrokeshire Coast National Park Authority as at 31 March 2018 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2018.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the responsible financial officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Authority's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.



## **Other information**

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

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

Report on other requirements

## **Opinion on other matters**

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

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

## **Matters on which I report by exception**

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

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

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

Certificate of completion of audit

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

## **Responsibilities**

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 61 the responsible financial officer is responsible for the preparation of the statement of accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

Anthony J Barrett  
For and on behalf of the Auditor General for Wales  
14 August 2018

24 Cathedral Road  
Cardiff  
CF11 9LJ

## APPENDIX 1: Departmental Expenditure Summary

	Mar 19 Profiled Budget	March 19 Gross	March 19 Income	Mar 19 Actual & Committed	Variance
<b>Conservation of the Natural Environment</b>	<b>390,177</b>	<b>415,402</b>	<b>-28,529</b>	<b>386,873</b>	<b>3,304</b>
Cilrhedyn Woodland Centre	91,448	105,000	-19,391	85,609	5,839
Nature Conservation	293,237	302,402	-9,138	293,264	-27
Marine Environment	5,492	8,000		8,000	-2,508
<b>Conservation of the Cultural Heritage</b>	<b>153,856</b>	<b>147,239</b>	<b>-6,705</b>	<b>140,534</b>	<b>13,322</b>
Invasive Species	54,607	58,774	-4,166	54,608	-1
Conservation Areas & Historic Buildings	49,271	47,364		47,364	1,907
CP10 - Archaeology, Culture & Heritage	41,752	38,606	-2,539	36,067	5,685
Heritage Guardians	8,226	2,495		2,495	5,731
<b>Development Control</b>	<b>341,580</b>	<b>518,953</b>	<b>-266,620</b>	<b>252,333</b>	<b>89,247</b>
Development Management (inc Mineral Planning)	341,580	518,953	-266,620	252,333	89,247
<b>Forward Planning &amp; Communities</b>	<b>339,862</b>	<b>340,456</b>	<b>0</b>	<b>340,456</b>	<b>-594</b>
Development Planning	225,984	228,561		228,561	-2,577
Sustainable Development Delivery	113,878	111,895		111,895	1,983
<b>Promoting Understanding</b>	<b>414,880</b>	<b>1,204,976</b>	<b>-859,994</b>	<b>344,982</b>	<b>69,898</b>
Tourism & Wellbeing Officer	46,430	50,518	-1,740	48,778	-2,348
Carew Castle	38,940	273,185	-253,570	19,615	19,325
Carew Castle Tea Room	-10,225	43,922	-50,568	-6,646	-3,579
Castell Henllys	85,813	237,295	-124,896	112,399	-26,586
Newport Information Centre	80,751	80,504		80,504	247
Oriel Y Parc, St David's	-423,871	-299,602	-158,775	-458,377	34,506
Oriel Y Parc Cafe	-21,000	480	-21,000	-20,520	-480
Tenby National Park Office	8,574	8,577		8,577	-3
Coast to Coast	-36,066	55,974	-75,406	-19,432	-16,634
Wales Coast Path Marketing	55,756	205,756	-150,000	55,756	0
Communications	219,629	180,415	-52	180,363	39,266
SUP9 - Graphic Services	85,081	82,818	-2,977	79,841	5,240
Discovery	166,451	170,345	-6,786	163,559	2,892
Activities & Events	-465	4,512	-2,905	1,607	-2,072
Flexible Programme	35,538	32,110		32,110	3,428
Skills in Action	444	7,236	-6,790	446	-2
Pembs Outdoor Schools	417	-33		-33	450
Celtic Routes	0	2,428	-4,529	-2,101	2,101
Nevern Castle Project	730	520		520	210
Pathways Project	81,953	68,016		68,016	13,937
<b>Recreation &amp; Park Management</b>	<b>132,909</b>	<b>748,664</b>	<b>-637,697</b>	<b>110,967</b>	<b>21,942</b>
Sustainable Transport	78,122	77,899		77,899	223
National Trail	34,943	216,776	-176,331	40,445	-5,502
Access Officer and Rights of Way	144,960	155,411	-11,111	144,300	660

	Mar 19 Profiled Budget	March 19 Gross	March 19 Income	Mar 19 Actual & Committed	Variance
<b>Rangers, Estates &amp; Volunteers</b>	<b>1,202,881</b>	<b>1,273,571</b>	<b>-86,487</b>	<b>1,187,084</b>	<b>15,797</b>
Park Delivery Management	111,942	112,344		112,344	-402
Ranger Services	229,985	217,309	-920	216,389	13,596
North Area	319,939	319,344	-5,274	314,070	5,869
West Area	190,451	185,174	-1,500	183,674	6,777
South Area	218,551	228,182	-837	227,345	-8,794
Castlemartin Ranger	17,679	37,019	-19,618	17,401	278
Tenby / Newport Ranger	19,135	20,927		20,927	-1,792
Estates Management (incl. Surplus Prope	95,199	153,272	-58,338	94,934	265
<b>Democratic Representation &amp; Manage</b>	<b>546,853</b>	<b>548,237</b>	<b>-15,843</b>	<b>532,394</b>	<b>14,459</b>
DRM2 - Chief Executive's Office	119,259	118,907		118,907	352
DRM1 - Corporate Activities & Manageme	55,924	64,868	-1,218	63,650	-7,726
Democratic Representation	202,615	190,648		190,648	11,967
Future Landscapes	72,350	72,350		72,350	0
National Parks Wales	15,292	26,499	-14,625	11,874	3,418
National Parks Wales Seminar		0			0
Corporate Governance	72,700	70,398		70,398	2,302
PCNPA Trust	8,713	4,567		4,567	4,146
<b>Service Management &amp; Support Servi</b>	<b>1,086,777</b>	<b>1,140,974</b>	<b>-21,311</b>	<b>1,119,663</b>	<b>-32,886</b>
SUP1 - Director of Park Direction & Plann	73,697	72,649		72,649	1,048
SUP3 - Director of Delivery & Discovery	97,780	99,101		99,101	-1,321
SUP5 - Reception/Admin Services	85,340	81,465	-512	80,953	4,387
SUP2 - Performance Management	46,231	42,049		42,049	4,182
SUP6 - Legal Services	30,750	29,465		29,465	1,285
SUP7 - Financial Services	185,919	194,193		194,193	-8,274
SUP8 - IT Services	205,244	189,887	-51	189,836	15,408
SUP16 - Parc Llanion Park	80,857	95,980	-9,225	86,755	-5,898
SUP12 - General Building Maintenance	102,626	108,683	-5,523	103,160	-534
Fund Raising	-4,886	46,425	-6,000	40,425	-45,311
Projects Team	50,012	51,426		51,426	-1,414
SUP14 - Pool Vehicles	1,651	2,318		2,318	-667
Personnel, Health & Safety, Staff Training	131,556	127,333		127,333	4,223
<b>Conservation of the Natural Environm</b>	<b>390,177</b>	<b>415,402</b>	<b>-28,529</b>	<b>386,873</b>	<b>3,304</b>
<b>Conservation of the Historic &amp; Cultura</b>	<b>153,856</b>	<b>147,239</b>	<b>-6,705</b>	<b>140,534</b>	<b>13,322</b>
<b>Development Control</b>	<b>341,580</b>	<b>518,953</b>	<b>-266,620</b>	<b>252,333</b>	<b>89,247</b>
<b>Forward Planning &amp; Communities</b>	<b>339,862</b>	<b>340,456</b>	<b>0</b>	<b>340,456</b>	<b>-594</b>
<b>Promoting Understanding &amp; Enjoymen</b>	<b>414,880</b>	<b>1,204,976</b>	<b>-859,994</b>	<b>344,982</b>	<b>69,898</b>
<b>Recreation &amp; Park Management</b>	<b>132,909</b>	<b>748,664</b>	<b>-637,697</b>	<b>110,967</b>	<b>21,942</b>
<b>Rangers, Estates &amp; Volunteers</b>	<b>1,202,881</b>	<b>1,273,571</b>	<b>-86,487</b>	<b>1,187,084</b>	<b>15,797</b>
<b>Democratic Representation &amp; Manage</b>	<b>546,853</b>	<b>548,237</b>	<b>-15,843</b>	<b>532,394</b>	<b>14,459</b>
<b>Service Management &amp; Support Servi</b>	<b>1,086,777</b>	<b>1,140,974</b>	<b>-21,311</b>	<b>1,119,663</b>	<b>-32,886</b>
<b>Net Cost of Services</b>	<b>4,609,775</b>	<b>6,338,472</b>	<b>-1,923,186</b>	<b>4,415,301</b>	<b>194,489</b>