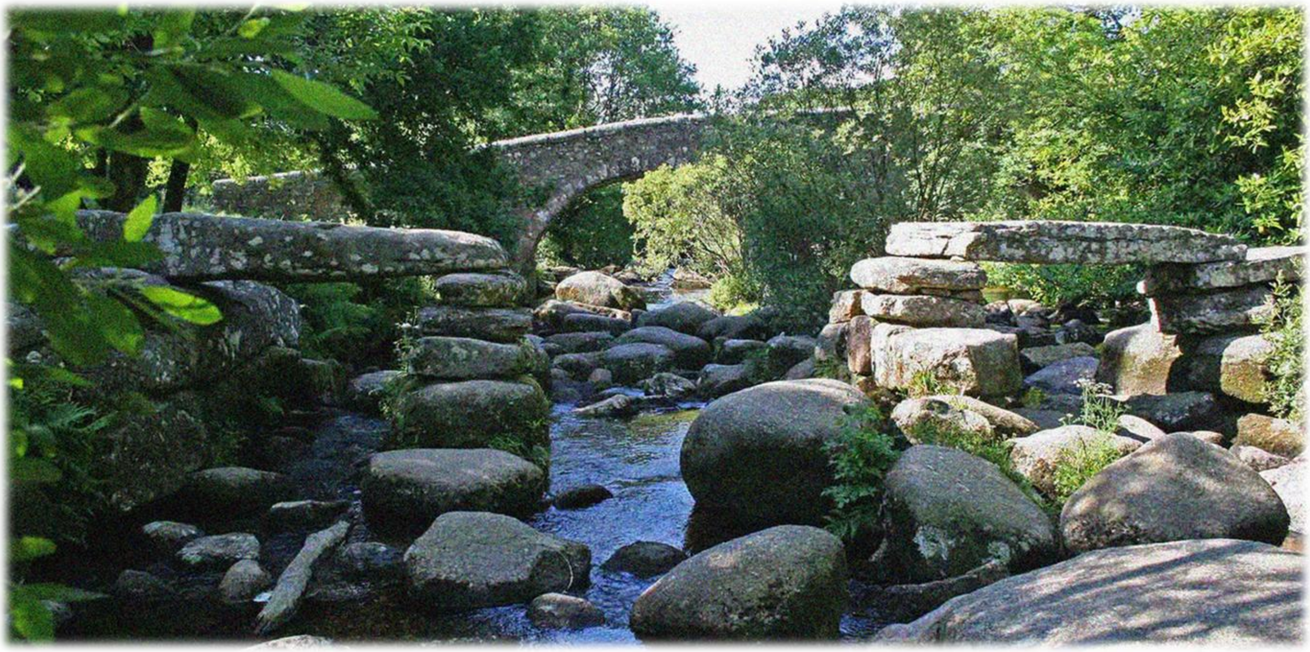
DARTMOOR NATIONAL PARK AUTHORITY

(Audited) 2023/24 Statement of Accounts
and
The Annual Governance Statement



Issued: November 2024

Contents	Page

Narrative Report

Introduction

Dartmoor National Park Authority is a small organisation with limited resources available to fulfil our two statutory purposes: to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park; and to promote opportunities for the understanding and enjoyment of the special qualities of the area by the public. In carrying out this work, we are also required, by statute, to seek to foster the economic and social well-being of local communities within the National Park. Much of the work we do is undertaken in partnership with others: from statutory agencies to communities of place and interest. Our structure is established for management to report on these legal purposes and duty.

Our ambition is to act as a powerful and effective enabler and advocate for Dartmoor National Park; working with others to deliver a National Park that is thriving, inspirational and valued. We set out what this means in practice and how we will seek to achieve it in our Business Plan, Annual Budget and Medium Term Financial Plan. Our work supports the wider Dartmoor Partnership Plan – the National Park Management Plan. This is a statutory document which the Authority is charged with preparing and reviewing. It is a plan for the National Park rather than for the Authority. It sets out a long-term, shared vision for the National Park and more specific actions over a five year period to help achieve that vision. There is a close correlation between the Authority's priorities and those identified through consultation and engagement in the preparation of the Dartmoor Partnership Plan.

In summary, our challenge is to work in partnership to conserve Dartmoor's special qualities, enable people from all parts of society to enjoy them and to do this in ways which help develop understanding of the National Park and contribute to the local economy.

Membership of the Authority is set out in legislation (Environment Act 1995). The overall role of the nineteen Members is to ensure that the Authority fulfils National Park purposes and does so in a way that best reflects the special qualities of the National Park. Members have a duty to achieve the efficient, effective and accountable governance of the organisation in the best interests of the National Park, and to provide leadership, scrutiny and direction in pursuing the aim of sustainable development – balancing and integrating environmental, social and economic considerations. Five Members are appointed by Devon County Council and five by the District/Borough Councils (South Hams - one, Teignbridge - two and West Devon - two). The remaining nine Members are appointed by the Secretary of State; of these five are 'national' appointments, in recognition of the national status of the area, and four represent the parishes in the National Park.

In 2023/24 the Authority employed 107 full and part-time staff which included: a Chief Executive (National Park Officer), two Directors and two Senior Managers who form the Authority's Leadership Team.

The Statement of Accounts

The aim of this Statement of Accounts is to demonstrate: the overall financial position of the Authority at the end of the 2023/24 financial year; how we have delivered our statutory purposes and duty; how we have used our financial resources to meet our Business Plan priorities; and how we have achieved positive outcomes for the National Park. The financial statements have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting (the Code) which is based on International Financial Reporting Standards (IFRS). The accounting policies (Note 2) establish the principles on which the figures in the financial statements are based. There are no changes to accounting policies this year.

The Annual Governance Statement is included within this publication but does not form part of the accounts. The Annual Governance Statement describes the Authority's Governance Framework, any identified significant governance issues and the challenges faced by the Authority.

This report constitutes the Authority's "Narrative Statement" as required by Section 8 of the Accounts and Audit Regulations 2015. The purpose of it is to indicate the most significant matters impacting on the Authority's financial position. In particular, it describes the Authority's financial performance and the economy, efficiency and effectiveness of its use of resources.

Financial Environment

The Department for Environment, Food and Rural Affairs (Defra) determines the level of Government funding for the National Park Authority. For 2023/24 the National Park Grant was £3,825,865. Our main financial settlement has been frozen since 2019/20 which is, in effect, a significant real terms cut when considering inflationary pressures. In 2022/23 Defra provided a one-off additional grant of £440,000, this enabled the Authority to carry forward internally generated income into reserves, which allowed the Authority to continue some of the services that would have otherwise been cut or reduced in 2023/24. In particular, the one-off grant has enabled us to commit to keeping the National Park Visitor Centre at Princetown open until March 2025. Flat cash settlements at a time of rapidly rising inflation are a cause of considerable financial pressure. A key pressure for the Authority is staff pay: our staff are our biggest asset but also our most significant cost.

Each year with the inflationary pressures the Authority conducts and reviews all forthcoming expected expenditure and income to ensure we set a balanced budget and remain a financially viable organisation. These reviews have focused on delivering efficiencies and improved effectiveness; on securing alternative sources of income. We continue to keep our staffing structure under constant review and robustly control costs and spending plans. There is no automatic replacement for any post that falls vacant; all vacancies are scrutinised against Business Plan priorities before any decision to replace is taken.

We actively seek to generate additional income to support National Park purposes and our priorities. This is in the form of external grant bids for project work and programmes; the introduction of new fees and charges; promoting voluntary donations through ‘Donate for Dartmoor,’ sponsorship and specific fundraising programmes. However, an increasingly competitive funding environment requires considerable outlay in terms of staff time to develop funding bids and new income generating projects and is not without risk – success is not guaranteed and normally requires significant match funding by the Authority. The match-funding is often provided through use of reserves.

At the end of 2023/24 the Authority was successful in securing additional funding in the form of a capital grant from Defra’s ‘Water in Protected Landscapes’ project. This allowed the Authority an opportunity to acquire common land at Buckfastleigh. Although the purchase has been completed, there remains a portion of the grant for replacement of gates and a bridge. Therefore, until the full completion of capital works, which will happen in 2024/25, the land acquisition has been reported within the accounts as assets under construction.

Financial Performance

The Authority experienced some slippage in work programmes in 2023/24, which has been due to poor weather conditions experienced during the winter months. Our stakeholders, partners and contractors were also affected, which had a knock-on effect for everyone’s ability to “get work done.”

The final revenue outturn in the Authority’s Management Accounts is a surplus of £12,636 against budget which equates to a minus 0.32% variance (£4,281 deficit and a 0.11% variance in 2022/23). This figure is reconciled to the surplus on the provision of services in the Comprehensive Income and Expenditure Statement (CIES) on page 11, in the following table, by removing the charges for the use of assets and other technical accounting adjustments.

Reconciliation of Surplus on the Provision of Services in CIES to the Authority’s Management Accounts	**31 March 2024 £000**
Surplus on the Provision of Services	**(523)**
Reverse amortisation, depreciation & impairment charges	(523)
Reversal of IAS19 Retirement Benefit Adjustments	(34)
Reversal of Accumulated Absences Adjustment	4
Disposal of assets	(2)
Capital grant – funding of Asset under Construction	877
Net transfers to or (from) reserves per Management Accounts	188
Revenue Budget Surplus (As reported in Management Accounts)	**(13)**

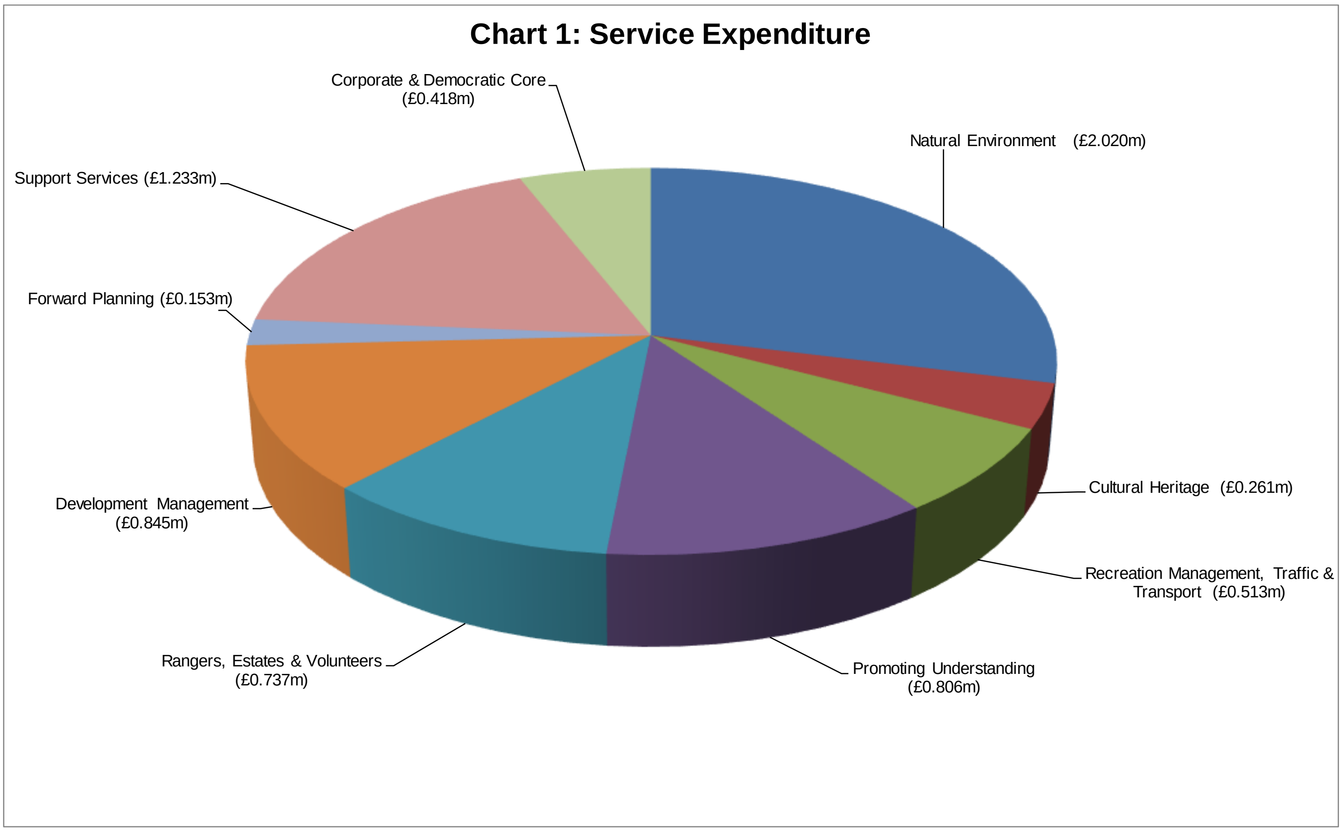
The Authority generated additional external grant income of £527,586 (£128,225 in 2022/23) against budget. We also received income from sales, fees, and charges of £897,823 (£751,890 in 2022/23). The Authority's income generation has been particularly favourable compared to the previous year, due to treasury deposits interest, carpark income generation, retail sales and new homes bonus contribution from West Devon and South Hams.

The Authority experienced some above budgeted expenditure. This was predominantly due staff costs, which saw nationally set pay award being more than expected and additional staff resources requirement to undertake the work of the authority. The authority also experienced higher expenditure due to maintenance of the authorities aging fleet of vehicles.

There were efficiencies achieved in 2023/24 which included: premises running costs being £75,917 lower than expected due to repair and maintenance work not being completed. There were also savings from work programmes and projects, which were expected to be undertaken during 2023/24, but due to continuing supply chain and contractor availability issues, these were not completed. These have been carried forward into next year.

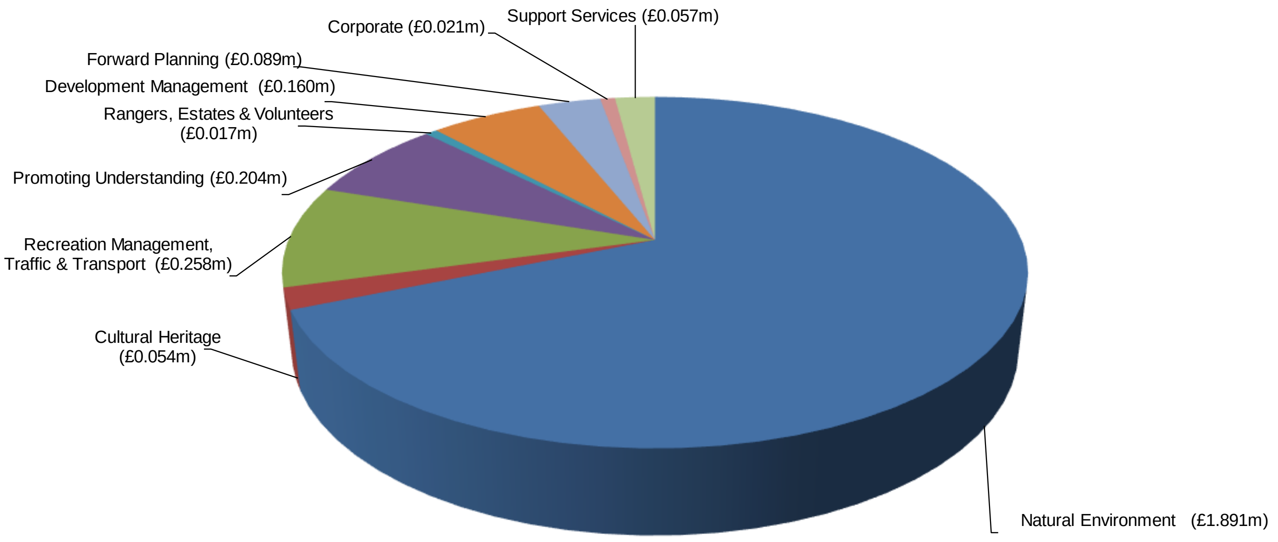
Budget management, financial control and value for money continue to be given the highest priority by Members and the Leadership Team; with robust budget management and monitoring being undertaken on a monthly basis, and with formal reporting to the Leadership Team and the Audit & Governance Committee on a quarterly basis. In addition to its core revenue spending, the Authority is engaged in a number of partnership projects and where external funding relating to these projects was received in 2023/24 but not spent, it has been transferred into earmarked reserves (as required by International Financial Reporting Standards) so that it can be carried forward. Efficiency savings made in-year and additional external funding received has meant that the drawdown on reserves in the year was less than initial budgeted. Further detail can be found in the Audit Governance Report dated 31 May 2024 published on the Authority's website.

Gross service expenditure totalled £6.986 million and Chart 1 highlights spending for each Service as presented in the Comprehensive Income and Expenditure Statement (CIES).



Income received and credited to services from external grant funding, sales and fees & charges totalled £2.751 million and is shown in Chart 2 below and is as presented in the CIES.

Chart 2: Service Income (excludes NPG)



Capital Spending

The Capital Assets of the Authority includes: Land, Buildings, Community Assets, Heritage Assets, Intangibles, Vehicles, Plant and Equipment. The total carrying value in the Balance Sheet as at 31 March 2024 was £5.429 million (£4.501 million at 31 March 2023).

A full valuation of the Authority's Land and Building portfolio was once again undertaken resulting in an unrealised gain of £0.530 million being recognised in the Comprehensive Income and Expenditure Account (CIES) and the Revaluation Reserve.

There have been capital acquisitions in year, as previously mentioned the main one being the purchase of common land at Buckfastleigh. The Authority has also purchased three new Ranger vehicles.

General and Earmarked Reserves

At the beginning of the year total useable reserve balances stood at £3.428 million. During the year we used £0.094 million and made transfers to or between reserves of £0.250 million. The General Reserve has been retained at £0.5 million, which equates to approximately 12% of the 2023/24 Net Budget Requirement, or three month's salary payments and is the minimum level that the Authority has determined must be retained. Overall, this has resulted in a closing balance of £3.583 million at year-end, which is a net <u>increase</u> of £0.155 million. A breakdown can be found in Note 11.

In aggregate, the level of reserves and balances held is regarded as sufficient to meet current needs and to provide some assurance that unforeseen risks and emergencies can be managed. These balances are determined in part by our on-going work programmes and projects and by a risk-based analysis and methodology designed by the Authority. The Authority is debt free but could decide to undertake and apply for prudential borrowing to finance capital expenditure in the future.

Pension Scheme Assets and Liabilities

The Authority's pension fund deficit is subject to two different actuarial valuations; the Triennial Valuation and the IAS 19 annual accounting valuation. The Triennial Valuation is used to set the employer contribution rates for the following three years and is based on assumptions that are specific to the Authority's part of the Devon Pension Fund. The annual IAS 19 valuation, that the Authority is required to use in these accounts uses standardised assumptions and is designed to provide comparability between employers.

The result of the annual accounting valuation as at 31 March 2024 for the Authority is that the net liability has decreased by £0.794 million from £0.914 million to £0.120 million, due mainly to changes in assumptions. This year the Authority has experienced a surplus in the fund, which has required an adjustment by the actuary, 'asset ceiling', to ensure compliance with the accounting code. The liability is the annual accounting valuation and is an assessment of the level of corporate bonds a corporate body would need to issue in order to cover the cost of the deficit over an assessed period. This approach was designed with the Private Sector in mind but has also been adopted by the Public Sector, although of course in local government, the true pension fund deficit is assessed through the Triennial Valuation and the deficit made good over the working life of the employees rather than by issuing Corporate Bonds.

The most recent triennial valuation took place at 31 March 2022 and the Authority's funding level was assessed to be at 101.6% compared to 97.8% in 2019. The Authority continues to make additional contributions to seek to maintain a 100% funding position.

The annual accounting valuation and disclosures included in these accounts (see Note 32) makes use of many assumptions and is a "snapshot" valuation of assets and liabilities on one particular day at year-end. This snapshot approach to valuing the deficit is volatile and unpredictable. It is arguable whether the annual calculation of the pension fund deficit accurately reflects the long run position, many believe it does not. The pension fund deficit as reported in these accounts does not represent an immediate call on the Authority's reserves but simply provides an accounting valuation snapshot (at 31 March 2024) with the value of assets and liabilities changing on a daily basis.

The Business Plan

The Business Plan is a strategic document and as such does not describe everything we do, rather it seeks to:

- Explain the vision for the Authority and outline the way we will work to achieve National Park purposes
- Identify the core values which will guide our work
- Set out the Authority's strategic priorities and the key actions
- Detail the funding available to deliver the Business Plan.

It also provides a link between the Dartmoor Partnership Plan, individual work programmes and staff appraisals. The Business Plan sets out key actions to deliver our priorities and help achieve the vision for Dartmoor National Park contained within the Dartmoor partnership Plan. The Business Plan recognises that our core business/services continue on a daily basis. Whilst the Business Plan focuses on each individual financial year, it also identifies where actions/ programmes will continue beyond one year and thus links to the Medium-Term Financial Plan as well as the current year's revenue budget.

The 2023/24 Business Plan identified 23 key actions against the following priorities for the Authority:

- Better for Nature
- Better for Cultural Heritage
- Better for Farming and Forestry
- Better for People
- Better for Communities and Business
- Be an excellent organisation.

The number of key actions highlights the breadth of the work of the Authority and the nature of the key actions ranges from specific short-term projects to longer term strategic goals, each requiring different levels of officer and Member input and commitment.

Progress against the actions is summarised in the following table:

Business Plan: Progress against Actions	Number	%
Completed or 2023/24 actions delivered for ongoing projects	11	48%
2023/24 actions partially delivered or ongoing actions/projects for 2024/25	7	30%
Not completed and/or deferred to 2024/25	5	22%

The full Business Plan 2023/24 report (NPA/AG/24/003) can be found on the Authority's website:

https://www.dartmoor.gov.uk/__data/assets/pdf_file/0028/518527/2024-05-31-Audit-and-Governance-final-NW-final.pdf

Performance Indicators (PIs)
The Authority has a wide-ranging set of PIs, some of these relate directly to the services we provide and thus set 'service standards'; others are 'State of the Park' indicators and as the name suggests help us assess the condition of the National Park and monitor key trends. The 'State of the Park' indicators are not influenced solely by the Authority's actions. Some of the PIs are set nationally (either by Government or as a set of indicators for all English NPAs) and others are set locally by the Authority itself. Our PIs are also grouped together and reported against our three strategic themes and this allows us to monitor progress and achievement of outcomes across all service areas. The full Performance Indicator 2023/24 report (NPA/AG/24/004) can be found on:

https://www.dartmoor.gov.uk/__data/assets/pdf_file/0028/518527/2024-05-31-Audit-and-Governance-final-NW-final.pdf

The Authority considers Risk Management to be an important element of its performance management framework and the **Strategic Risk Register** is reviewed and updated by Leadership Team on a quarterly basis and by Members at least half yearly.

Monitoring performance and outcomes against the Business Plan, our Performance Indicators and Risk Management is undertaken at a 'service' or 'team' level and is reported to Leadership Team on a quarterly basis and to the Audit & Governance Committee. Copies of the reports and documents can be found on the Authority's website.

Dartmoor Partnership Plan – the National Park Management Plan

Under section 66(1) of the Environment Act 1995 each National Park Authority (NPA) is required to prepare and publish a National Park Management Plan for its Park and review it every five years. Although preparation of the Management Plan is the prime responsibility of the NPA, we need to actively engage with and gain support from of all key stakeholders who will assist in its delivery. The current Dartmoor Partnership Plan was adopted by the Authority in January 2021. A light touch review was conducted in 2021 in order to respond to the conclusions of the Landscapes Review. During 2023/24 Defra published a new Outcomes and Targets Framework for all Protected Landscapes in England. We have been reviewing the impact of the current Partnership Plan during 2023/24 and will publish a revised State of the Park report in 2024/25 (see below) which will provide a foundation for a future review of the Partnership Plan.

A Government commissioned, independent review of protected site management on Dartmoor endorsed the current Partnership Plan and recommended that the vision should be the foundation for future management of common land within the National Park.

State of the Park Report

The State of the Park Report is produced every five years and provides a wider perspective on what is happening to the National Park across the three themes that underpin our work. The State of the Park report helps us, and our partners determine:

- What the key changes and trends are
- The issues and gaps which need further investigation or addressing.
- How we are progressing towards the vision in the National Park Management Plan and delivering National Park Purposes.

In addition, the 2017 State of the Park report provided an evidence base for the review of the National Park Management Plan (Dartmoor Partnership Plan). Preparation of a new State of the Park report is a key action in the Authority's Business Plan for 2024/25.

Looking Forward

The national policy context for the 2024/25 Business Plan is provided by documents such as the Government's plan for the environment (A Green future: Our 25 Year Plan to improve the Environment), its response to the Landscapes Review, the levelling up agenda, the 30x30 target and wider objectives around nature recovery, the climate emergency and the emerging framework around the new Environmental Land Management schemes. The Authority's Business Plan relates to these 'national policy drivers' and identifies the key policy framework for each action. However, the Business Plan also considers local priorities. We share the overall ambition of protected landscapes being 'a positive force for the nation's wellbeing.'

The Authority's Business Plan is ambitious, with a blend of key actions that will deliver management and enhancement of the environment, opportunities for people to get engaged and promote the enjoyment and understanding of Dartmoor's special qualities. These actions will help support the Dartmoor economy and the communities that live within the National Park. The key ingredients for most of the actions are staff time and partnership working.

Whilst many of the actions are funded there are a number that relate to work programmes designed to develop future funding bids and/or secure other forms of funding (voluntary donations, commercial sponsorship etc.

Conclusion

Considering the Authority's ambitious and diverse work programme, 2023/24 has been one of sound financial management and the commitment of staff to continue with delivery. There has been some slippage particularly in the final quarter of the financial year, which has been due to poor weather conditions. This impacted work programmes, and these have been delayed until 2024/25. The small surplus will aid the medium term budget gap.

Efficiencies made during the year, has meant a reduce call on reserves, compared to the budget set and the Authority's ability to maintain the Match Funding and Invest to Save Reserves. This is important as many of our practical work programmes are dependent on external funding secured through competitive bids which require match funding (and staff time to develop them).

The Authority continues to maintain a robust financial position; and is demonstrating a proactive approach to building stronger partnerships, generating new income streams and financial resilience and agility.

Kevin Bishop
Chief Executive (National Park Officer)

1st November 2024

Angela Stirland
Head of Business Support (Chief Finance Officer)

1st November 2024

Statement of Responsibilities for the Statement of Accounts

The Authority's Responsibilities

The Authority is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Chief Finance Officer;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the Statements of Accounts

The Chief Finance Officer's Responsibilities

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

In preparing this Statement of Accounts the Chief Finance Officer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgments and estimates that were reasonable and prudent; and
- Complied with the local authority Code

The Chief Finance Officer has also:

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

Chief Finance Officer's Certificate

I hereby certify that this Statement of Accounts for the year ended 31 March 2024 has been prepared in accordance with the Accounts and Audit Regulations 2015 and that it gives a true and fair view of the financial position of Dartmoor National Park Authority as at 31 March 2024 and its income and expenditure for the year ended 31 March 2024.

Angela Stirland, Head of Business Support (Chief Finance Officer)

Date: 1st November 2024

Approval of the Statement of Accounts

I confirm that these accounts were approved and authorised for issue by members of the Authority at the meeting held on 1st November 2024

Ms P Woods, Chair of the Authority

Date: 1st November 2024

The Financial Statements

The financial statements and their purpose are summarised as follows:

- **Comprehensive Income and Expenditure Statement** (page 11) – This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from Government Grant. National Park Authorities receive Government Grant and raise other income to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation (government grant) position is shown both in the Expenditure and Funding Analysis and the Movement in Reserves Statement
- **Movement in Reserves Statement** (page 12) – This statement shows the movement from the start of the year to the end on the different reserves held by the Authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other 'unusable' reserves. The statement shows how the movements in year of the Authority's reserves are broken down between gains and losses incurred with generally accepted accounting practices and the statutory adjustments required to return the amounts chargeable to government grants for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.
- **Balance Sheet** (page 13) – 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 reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are useable reserves and are those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitation on their use (for example the Capital Receipts Reserve may only be used to fund capital expenditure or repay debt). The second category of reserves are those 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 Authority has a positive Balance Sheet as at 31 March 2024 which means that the Authority's assets are £8.870 million greater than its liabilities. The net Pension liability of £0.120 million (£0.914m in 2022/23) has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet. The increase of £0.794m is predominantly due to the decrease in the pension deficit (see Note 32 for further information).
- **Cash Flow Statement** (page 14) – the Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of grant income or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash flows 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.

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from Government Grant. National Park Authorities receive National Park Grant and raise other income to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation (government grant) position is shown both in the Expenditure and Funding Analysis and the Movement in Reserves Statement.

2022/23				2023/24		
Gross Expenditure	**Gross Income** (Note 10)	**Net Expenditure**		**Gross Expenditure**	**Gross Income** (Note 10)	**Net Expenditure**
£000	**£000**	**£000**		**£000**	**£000**	**£000**
1,956	(1,473)	483	Conservation of the Natural Environment	2,020	(1,891)	129
263	(41)	222	Conservation of Cultural Heritage	261	(54)	207
745	(260)	485	Recreation Management and Transport	513	(258)	255
909	(208)	701	Promoting Understanding	806	(204)	602
851	(21)	830	Rangers, Estates and Volunteers	737	(17)	720
787	(195)	592	Development Management	845	(160)	685
198	(102)	96	Forward Planning & Communities	153	(89)	64
433	(23)	410	Corporate and Democratic Core	418	(21)	397
1,205	(33)	1,172	Support Services	1,233	(57)	1,176
7,347	**(2,356)**	**4,991**	**Cost of Services**	**6,986**	**(2,751)**	**4,235**
149	0	**149**	Other Operating Expenditure (Note 12 & 32)	19	0	**19**
399	(24)	**375**	Financing and Investment Income and Expenditure (Note 6)	31	(105)	**(74)**
	(4,266)	**(4,266)**	Taxation and Non-Specific Grant Income (Note 7)		(4,703)	**(4,703)**
7,895	**(6,646)**	**1,249**	**(Surplus) or Deficit on Provision of Services** (Note 9)	**7,036**	**(7,559)**	**(523)**
		(441)	(Surplus) / Deficit on Revaluation of Property, Plant and Equipment (Note 12)			(530)
		(15,859)	Re-measurement of the Net Defined Benefit Liability/(Asset) (Note 32)			(828)
		(16,300)	**Other Comprehensive Income and Expenditure**			**(1,358)**
		(15,051)	**Total Comprehensive Income and Expenditure**			**(1,881)**

Movement in Reserves Statement

This statement shows the movement from the start of the year to the end on the different reserves held by the Authority, analysed into ‘usable reserves’ (i.e., those that can be applied to fund expenditure) and other ‘unusable’ reserves. The statement shows how the movements in year of the Authority’s reserves are broken down between gains and losses incurred with generally accepted accounting practices and the statutory adjustments required to return the amounts chargeable to government grants for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

Movement in Reserves during 2022/23	**General Fund Balance**	**Capital Grants Unapplied**	**Capital Receipts Reserve**	**Unusable Reserves**	**Total Authority Reserves**
	£000	**£000**	**£000**	**£000**	**£000**
Balance brought forward at 1 April 2022	**(3,017)**	**0**	**(21)**	**11,100**	**8,062**
Total Comprehensive Income and Expenditure	1,249	0	0	(16,300)	**(15,051)**
Adjustments between accounting basis and funding basis under regulations (Note 8)	(1,639)	0	0	1,639	**0**
(Increase) or Decrease in year	**(390)**	**0**	**0**	**(14,661)**	**(15,051)**
Balance carried forward at 31 March 2023 (Notes 11 & 21)	**(3,407)**	**0**	**(21)**	**(3,561)**	**(6,989)**

Movement in Reserves during 2023/24	**General Fund Balance**	**Capital Grants Unapplied**	**Capital Receipts Reserve**	**Unusable Reserves**	**Total Authority Reserves**
	£000	**£000**	**£000**	**£000**	**£000**
Balance brought forward at 1 April 2023	**(3,407)**	**0**	**(21)**	**(3,561)**	**(6,989)**
Total Comprehensive Income and Expenditure	(523)	0	0	(1,358)	**(1,881)**
Adjustments between accounting basis and funding basis under regulations (Note 8)	400	(32)	0	(368)	**0**
(Increase) or Decrease in year	**(123)**	**(32)**	**0**	**(1,726)**	**(1,881)**
Balance carried forward at 31 March 2024(Notes 11 & 21)	**(3,530)**	**(32)**	**(21)**	**(5,287)**	**(8,870)**

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e., those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations.'

31 March 2023		Note	31 March 2024	31 March 2024
£000			**£000**	**£000**
3,612	Property, Plant and Equipment	12	4,534	
866	Heritage Assets	13	878	
23	Intangible Assets	14	17	
4,501	**Long Term Assets**			**5,429**
70	Inventories	17	65	
1,199	Short Term Debtors	18	463	
2,996	Cash and Cash Equivalents	19	3,624	
4,265	**Current Assets**			**4,152**
(163)	Revenue Grant Receipts in Advance	28	0	
(700)	Short Term Creditors	20	(591)	
(863)	**Current Liabilities**			**(591)**
(914)	Other Long Term Liabilities	32	(120)	
(914)	**Long Term Liabilities**			**(120)**
6,989	**Net Assets/(Liabilities)**			**8,870**
(3,428)	Usable Reserves	11		(3,583)
(3,561)	Unusable Reserves	21		(5,287)
(6,989)	**Total Reserves**			**(8,870)**

Authorised for Issue

The unaudited Accounts were authorised for issue by the Chief Finance Officer on 31 May 2024.

The audited Accounts were authorised for issue by the Chief Finance Officer on 1 November 2024.

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of grant 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 from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e., borrowing) to the Authority.

31 March 2023		**Note**	**31 March 2024**
£000			**£000**
1,249	**Net (Surplus) or Deficit on the Provision of Services**		**(523)**
	Adjustments for:		
(1,108)	Non cash movements	22	(1,028)
141	**Net Cash Flows from Operating Activities**		**(1,551)**
65	Investing Activities	23	923
206	**Net (Increase) or Decrease in Cash and Cash Equivalents**		**(628)**
3,202	Cash and Cash Equivalents at the start of the reporting period		2,996
2,996	**Cash and Cash Equivalents at the end of the reporting period**	19	**3,624**

Notes to the Accounts

1. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, other grants and contributions, sales, fees and charges) by the Authority in comparison with those resources consumed or earned by the Authority in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Authority's service areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2022/23				2023/24		
Net Expenditure chargeable to the General Fund	Adjustments between Funding & Accounting basis	Net Expenditure in the CIES		Net Expenditure chargeable to the General Fund	Adjustments between Funding & Accounting basis	Net Expenditure in the CIES
£000	£000	£000		£000	£000	£000
290	193	483	Conservation of the Natural Environment	110	19	129
165	57	222	Conservation of Cultural Heritage	186	21	207
398	87	485	Recreation Management and Transport	223	32	255
544	157	701	Promoting Understanding	530	72	602
651	179	830	Rangers, Estates and Volunteers	634	86	720
431	161	592	Development Management	598	87	685
61	35	96	Forward Planning and Communities	56	8	64
327	83	410	Corporate and Democratic Core	361	36	397
968	204	1,172	Support Services	1,032	144	1,176
3,835	**1,156**	**4,991**	**Net Cost of Services**	**3,730**	**505**	**4,235**
(4,290)	548	(3,742)	Other Income and Expenditure	(4,808)	50	(4,758)
65	(65)	0	Capital Expenditure charged to General Fund	923	(923)	0
(390)	**1,639**	**1,249**	**(Surplus) or Deficit on the Provision of Services**	**(155)**	**(368)**	**(523)**

2022/23		2023/24
(3,016)	**Opening General Fund Balance**	**(3,406)**
(390)	(Surplus)/Deficit on the General Fund in year	(155)
(3,406)	**Closing General Fund Balance at 31 March** (Note 11)	**(3,561)**

Adjustments from the General Fund to arrive at the CIES amounts	Adjustments between Funding and Accounting basis 2023/24			
	Adjustments for Capital Purposes (note a)	Net change for Pensions Adjustment (Note b)	Other Differences (Note c)	Total Adjustment
	£000	**£000**	**£000**	**£000**
Conservation of the Natural Environment	31	(3)	(9)	19
Conservation of Cultural Heritage	26	(1)	(4)	21
Recreation Management and Transport	31	(1)	2	32
Promoting Understanding	74	(2)	0	72
Rangers, Estates and Volunteers	89	(2)	(1)	86
Development Management	84	(2)	5	87
Forward Planning & Communities	8	0	0	8
Corporate and Democratic Core	36	(1)	1	36
Support Services	144	(2)	2	144
Net Cost of Services	523	(14)	(4)	505
Other income & expenditure	(923)	50		(873)
Total	**(400)**	**36**	**(4)**	**(368)**

Adjustments from the General Fund to arrive at the CIES amounts	Adjustments between Funding and Accounting basis 2022/23			
	Adjustments for Capital Purposes (note a)	Net change for Pensions Adjustment (Note b)	Other Differences (Note c)	Total Adjustment
	£000	**£000**	**£000**	**£000**
Conservation of the Natural Environment	24	162	7	193
Conservation of Cultural Heritage	17	37	3	57
Recreation Management and Transport	41	47	(1)	87
Promoting Understanding	56	106	(5)	157
Rangers, Estates and Volunteers	68	107	4	179
Development Management	45	115	1	161
Forward Planning & Communities	6	30	(1)	35
Corporate and Democratic Core	31	55	(3)	83
Support Services	100	102	2	204
Net Cost of Services	388	761	7	1,156
Other income & expenditure	(65)	548		483
Total	**323**	**1,309**	**7**	**1,639**

a) **Adjustments for Capital Purposes** - this column adds in depreciation and impairment and revaluation gains and losses in the services line; adjustments for capital disposals with a transfer of income on disposal and the amounts written off; capital grants are adjusted for income not chargeable under generally accepted accounting practices and capital grants receivable in year for which conditions are satisfied.

b) **Net Change for Pensions Adjustments** - Net change for removal of pension contributions and the addition of *IAS19 Employee Benefits* pension related expenditure and income:
- **For services** - this represents removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs
- **For Financing and investment income and expenditure** - the net interest on the defined benefit liability is charged to the CIES

c) Other Differences - other differences debited / credited to the CIES and amounts payable / receivable to be recognised under statute i.e., accumulated absences.

2. Accounting Policies

General Principles

The Statement of Accounts summarises the Authority's transactions for the 2023/24 financial year and its position at the year-end 31 March 2024. The Authority is required to prepare an annual Statement of Accounts in accordance with proper accounting practices; these proper accounting practices principally comprise:

- the Code of Practice on Local Authority Accounting in the UK 2023/24 (The Code)
- the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003 No 03146, as amended) (the 2003 Regulations)

The Statement of Accounts has been prepared using the going concern and accrual basis. The historical cost convention has been applied, modified by the revaluation of certain categories of non-current assets and financial instruments.

Going Concern

The future financing of the Authority will be met by future grants and the application of future income. The approval of core income for 2024-25 has already been given and there is no reason to believe that future approvals will not be forthcoming. Therefore, these set of accounts have been prepared on a going concern basis.

Accruals of Income and Expenditure

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

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations of the contract;
- The full cost of employees is charged to the accounts for the period within which the employees worked. Accruals are made for salaries and wages, holiday pay, flexi leave and time off in lieu earned but unpaid at the year-end;
- Supplies and services are recorded as expenditure when they are consumed. Where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the balance sheet;
- Interest payable on borrowings and receivable on investments is accounted for on the basis of effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract;
- Where revenue and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected;
- Where grant offers have been made by the Authority to individuals or organisations but not drawn down by the 31 March, agreement is sought from the Authority to make provision for their future payment from an earmarked reserve.

Adjustments between Accounting Basis and Funding Basis

The resources available to the Authority in any financial year and the expenses that are charged against those resources are specified by statute (the Local Government Act 2003 and the 2003 Regulations). Where the statutory provisions differ from the accruals basis used in the CIES, adjustments to the accounting treatment are made in the Movement in Reserves Statement (MIRS), so that usable reserves reflect the funding available at year end. Unusable Reserves are created to manage the timing differences between the accounting and funding bases. The material adjustments are:

Expense	Accounting Basis in Comprehensive Income and Expenditure Statement (CIES)	Funding Basis in Movement in Reserves Statement (MIRS)	Adjustment Account
Property, Plant & Equipment	Depreciation, revaluation and impairment losses	Revenue provision to cover historical cost determined in accordance with the 2003 Regulations	Capital Adjustment Account
Intangible Assets	Amortisation and impairment	Revenue provision to cover historical cost determined in accordance with the 2003 Regulations	Capital Adjustment Account
Non-Current Asset Disposals	Gain or loss based on sale proceeds less carrying amount of asset (net of costs of disposal)	No charge or credit	Capital Adjustment Account (carrying amount) Capital Receipts Reserve (sale proceeds & costs of disposal) Deferred Capital Receipts Reserve (if not yet received)
Capital Grants & Contributions	Grants that become unconditional in current year or received without conditions	No credit	Capital Grants Unapplied Reserve (amounts unapplied at 31 March) Capital Adjustment Account (other amounts)
Pensions Costs	Movement in pensions assets and liabilities	Employer's contributions payable and direct payments made to pensioners	Pensions Reserve
Holiday Pay	Projected cost of untaken leave entitlement at 31 March	No charge	Accumulated Absences Adjustment Account

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in 90 days or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the cash flow statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

Employee Benefits

Short-term employee benefits are benefits such as wages and salaries, paid annual leave, sick leave and expenses paid on a monthly basis and charged on an accruals basis, to the relevant service line in the CIES.

Termination Benefits: when the Authority is demonstrably committed to the termination of the employment of an officer, or a group of officers, or making an offer to encourage voluntary redundancy, these costs are charged on an accruals basis to the relevant service line in the CIES.

Post Employee Benefits: employees of the Authority are members of the Local Government Pension Scheme (LGPS) administered by Devon County Council which is accounted for as a defined benefit scheme. The scheme provides defined benefits to members (retirement lump sums and pensions) related to pay and service.

- The liabilities of the Devon Pension Fund attributable to the Authority are included in the balance sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions related to items such as mortality rates, employee turnover rates and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate of 4.80% based on the annualised Merrill Lynch AA rated corporate bond yield curve.
- The assets of the Devon pension scheme attributable to the Authority are included in the balance sheet at their fair value:
    - Quoted securities – current bid price
    - Unquoted securities – professional estimate
    - Unitised securities – current bid price
    - Property – market value

The change in the net pension liability is analysed into the following components:
Service cost comprising:

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

Re-measurements comprising:

- The return on plan assets – excluding amounts included in net interest on the net defined benefit liability (asset) charged to the Pensions Reserve as other Comprehensive Income & Expenditure;
- Actuarial gains and losses – changes in net pension liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions, charged to the Pension Reserve as Other Comprehensive Income & Expenditure
- Effect of the Asset Ceiling – the limitation on the Council's ability to realise pensions assets through reductions in future employer's contributions as a result of minimum funding requirements.

Contributions paid to the Devon Pension Fund: cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

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

General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits earned by employees.

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

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

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

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

Government Grants and Contributions
Whether paid on account, by instalments, or in arrears, government grants and third-party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- The Authority will comply with the conditions attached to the payments; and
- The grants or contributions will be received

Amounts recognised as due to the Authority are not credited to the CIES until the Authority has satisfied any conditions attached to the grant or contribution that would require repayment if not met. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the CIES.

Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors
Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of the transactions, other events and conditions on the Authority’s financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparatives for the prior period.

Property, Plant and Equipment
Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset’s potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. Expenditure below the following (de-minimis) limits is treated as revenue expenditure and is charged to the relevant service line in the CIES in the year that it is incurred:

- £10,000 for land and buildings
- £10,000 for vehicles, plant and equipment

- £10,000 for information communications technology related equipment (systems upgrades and software)

Measurement - Assets are initially measured at cost comprising:

- The purchase price;
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;
- The initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

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

- Operational non specialised property: Current Value – Existing Use Value
- Operational Specialised Property: Current Value – Depreciated Replacement Cost
- Non-Operational Property - Surplus assets: Fair Value – highest and best use
- Assets Held for Sale: Fair Values – held at carrying amount or fair value less costs to sell.

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value. Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets held in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. (Exceptionally, gains may be credited to the CIES where they arise from the reversal of a loss previously charged to a service). Where decreases in value are identified, they are accounted for as follows:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the CIES.

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

Impairment - Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where impairment losses are identified, they are accounted for in the same way as revaluation losses.

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

- Buildings: straight line allocation over the useful life of the property as estimated by the Valuer;
- Vehicles, Plant & Equipment: straight line allocation over the life of the asset, as advised by a suitably qualified officer.

Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost, being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

When an asset is disposed of or decommissioned, the carrying amount in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line on the CIES as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the CIES also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated in the Revaluation Reserve are transferred to the Capital Adjustment Account. Amounts received for a disposal in excess of £10,000 are categorised as capital receipts, credited to the Capital Receipts Reserve and can only be used for new capital investment or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement).

Heritage Assets

Heritage Assets are recognised and measured (including the treatment of revaluations gains and losses) in accordance with the Authority's accounting policies on property, plant and equipment. The Authority has one Heritage Asset which is reported in the Balance Sheet at insurance valuation i.e. based on a building re-instatement cost assessment. The insurance valuation is reviewed on an annual basis. Part of the property dates back to the 14th Century, and it is therefore deemed to have an indeterminate life; hence the Authority does not consider it appropriate to charge depreciation. The Authority does not have a policy for the acquisition and disposal of Heritage Assets, the acquisition of "Uppacott" was a 'one-off' opportunity. The property is managed and preserved in accordance with the Authority's Asset Management Plan, the terms and conditions of the HLF grant and a property specific Business Plan.

The carrying amount of this Heritage Asset is reviewed where there is evidence of impairment. Any impairment is recognised and measured in accordance with Authority's general policies on impairment. If this property is identified for disposal in the future, it will be dealt with in accordance with the Authority's general provisions relating to the disposal of property, plant and equipment and the terms and conditions of the HLF grant. Disposal proceeds are disclosed separately in the notes to the financial statements and are accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts.

Intangible Assets

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

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service lines in the CIES. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses are posted to the relevant service lines in the CIES. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the CIES.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund balance in the Movement in reserves Statement and posted to the Capital Adjustment Account and (for any sale proceed greater than £10,000) the Capital Receipts Reserve.

Leases

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

Leases (The Authority as a Lessee)

Operating Leases
Rentals paid under operating leases are charged to the CIES as an expense of the services benefitting from the use of the leased property, plant or equipment. Charges are made on a straight-line basis over the term of the lease, even if this does not match the pattern of the payments (e.g. if there is a rent-free period at the beginning of the lease).

Finance Leases
Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.
Lease payments are apportioned between:

- A charge for the acquisition of the interest in the property, plant or equipment applied to write down the lease liability; and
- A finance charge (debited to the Finance and Investment Income and Expenditure line in the CIES).

Property, plant and equipment recognised under finance leases is accounted for using the policies generally applied to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Authority at the end of the period).

The Authority is not required to cover depreciation or revaluation and impairment losses arising on leased assets from National Park Grant. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

As the Authority only has two finance leases and the lease liability is not material for either of them, the annual lease payments are accounted for within the CIES as they fall due. The assets are therefore carried as Property, Plant and Equipment in the Balance Sheet, rather than as a Long Term Liability.

Overheads and Support Services
The costs of overheads i.e. charges for use of non-current assets (depreciation, impairment, impairment reversals and employee benefit accrued costs) are charged to services in accordance with the costing principles of the Code. The full cost of Support Services, which also includes our main premises and organisational running costs are reported as a separate service segment in accordance with the Authority's arrangements for accountability and financial performance and not allocated to those services that benefit from them.

Financial Instruments
Financial assets are classified on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics: there are three main classes of financial assets measured at:

- Amortised cost;
- Fair value through profit and loss (none);
- Fair value through other comprehensive income (none).

Our business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified at amortised cost (bank deposits and debtors).

Financial assets measured at amortised cost are recognised in the Balance Sheet when we become party to the contractual provisions of the instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits are made to the Financing and Investment Income and Expenditure line in the CIES for interest receivable, based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. Any gains and losses that arise on derecognition are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Expected Credit Loss Model - we recognise expected credit losses on financial assets held at amortised cost either on a 12-month or lifetime basis. Only lifetime losses are recognised for trade receivables (debtors). Impairment losses are calculated to reflect the expectation that the future cash flows might not take place due to default. Credit risk plays an important part in assessing losses. Where risk has increased significantly since initial recognition, losses are assessed on a life-time basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12 month expected losses.

Accounting Standards Issued not Adopted

The Code requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2023/24 Code. The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would result in an impact on disclosures spanning two financial years. IFRS16 Finance Leases was to have been introduced in the 2020/21 code. However, CIPFA has since deferred the start date until 1 April 2024. There are therefore accounting changes due in 2024/25 that are anticipated to have a material effect on the Authority's financial performance or financial position.

3. Critical Judgements in applying Accounting Policies

In applying the accounting policies set out in Note 2, it has not been necessary to make any critical judgements about complex transactions or those involving uncertainty about future events.

4. Assumptions made about the future and other 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 these balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. Items in the Authority's Balance Sheet as at 31 March 2024, for which there is a significant risk of material adjustment in forthcoming financial years, are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions 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 effect on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £0.595m and a 1 year increase in life expectancy assumption would increase the closing defined obligation to £0.636m. However, the assumptions interact in complex ways. Sensitivity of the assumptions can be found within note 32.
Pensions Asset Ceiling	In calculating the net pensions asset, the Authority has made a judgement that the statutory framework for	The effect of the asset ceiling has been determined by the Scheme's actuaries on the basis of the limitations on the Authority's

	setting employer's contributions under the Local government Pension Scheme constitutes a minimum funding requirement. As a result, the Authority's ability to realise the full economic benefits of the net pensions asset of £1.867m calculated under the Accounting Code's provisions for post-employment benefits through reductions in future employer's contribution is limited. An asset Ceiling therefore applies. The practical effect of this is to move the basis of measurement for the net pensions closer to the assumptions made in the triennial valuation of the scheme under which the employer's contribution were set by the Scheme's Actuary. It does not indicate that the authority has paid excess amounts into the Scheme that it will never be able to recover.	ability to recover the full economic benefit of its asset through reductions in future employer's contributions because of the minimum funding requirement imposed on it by the funding strategy for the Scheme in place as at 31 March 2024. Under this strategy, the Authority has an obligation to fund a deficit of £0.120m. The Scheme's Actuary has assessed the Authority's estimated future service costs less the estimated minimum funding requirement contributions to establish the economic benefit that is available to the Authority. The net pensions asset has therefore been adjusted by this effect of the asset ceiling.
Property Plant and Equipment	Market uncertainty for opinions of value	Valuation decreases would impact on the value of the Authority's balance sheet. A 1% increase in valuation would equate to £0.03m addition to the balance sheet. The property portfolio is valued at either current value or depreciated replacement cost; annual valuations have been undertaken on an annual basis in recent years; there is an expectation that markets will return to normal in time; the situation will be kept under review.

5. Events after the Balance Sheet Date

The Statement of Accounts was authorised for issue by the Chief Finance Officer on 31 May 2024. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2024, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

6. Financing and Investment Income and Expenditure

2022/23 **£000**		**2023/24** **£000**
399	Net interest cost on the net defined benefit liability (asset)	31
(24)	Interest receivable	(105)
375		**(74)**

7. Taxation and Non-Specific Grant Income

National Park Grant is a general grant allocated by Defra directly to National Park Authorities as revenue grant. NPG is non-ring-fenced and is credited to Taxation and Non-Specific Grant Income in the Comprehensive Income and Expenditure Statement.

2022/23 £000	Credited to Taxation and Non Specific Grant Income	2023/24 £000
(4,266)	National Park Grant (from Defra)	(3,826)
0	Capital Grant (Defra)	(877)
(4,266)		**(4,703)**

8. Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure, recognised by the Authority in the year in accordance with property accounting practice, to arrive at the resources that are specified by statutory provisions, as being available to the Authority to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against.

General Fund Balance
The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Authority is statutorily empowered to spend on its services or capital investment (or for the deficit of resources that the Authority is required to recover) at the end of the financial year.

2022/23 General Fund Balance £000	Adjustments to Revenue Resources	2023/24 General Fund Balance £000
	Amounts by which income & expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements:	
(1,176)	Pensions costs (transferred to or from the Pensions Reserve)	(34)
(7)	Holiday pay (transferred to or from the Accumulated Absences Reserve)	4
(388)	Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (charged to the Capital Adjustment Account)	(523)
(133)	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal	(2)
(1,704)	**Total Adjustments to Revenue Resources**	**(555)**
	Adjustments between Revenue and Capital Resources	
65	Capital expenditure charged to General Fund Balance	923
(1,639)	**Total Adjustments**	**368**

9. Expenditure and Income Analysed by Nature

Expenditure & Income Analysed by Nature
Expenditure

2022/23 £000		2023/24 £000
4,581	Employee benefit expenses	3,823
2,378	Other service expenses	2,640
388	Depreciation, amortisation and impairment	523
548	Interest payments	50
7,895	**Total expenditure**	**7,036**
(2,356)	Grants, fees, charges and other service income	(2,751)
(4,266)	Government grants and contributions	(4,703)
(24)	Interest and investment income	(105)
(6,646)	**Total Income**	**(7,559)**
1,249	**(Surplus)/Deficit on Provision of Services**	**(523)**

10. Segmental Income

2023/24	Grants and Contributions £000	Fees and Charges £000	Sales Income £000	Other £000	Total £000
Conservation of the Natural Environment	(1,849)	(42)	0	0	(1,891)
Conservation of Cultural Heritage	(39)	(11)	0	(4)	(54)
Recreation Management & Transport	(46)	(210)	(2)	0	(258)
Promoting Understanding	(2)	(28)	(174)	0	(204)
Rangers, Estates and Volunteers	(17)	0	0	0	(17)
Development Management	0	(160)	0	0	(160)
Forward Planning and Communities	0	(89)	0	0	(89)
Corporate and Democratic Core	(6)	(15)	0	0	(21)
Support Services	0	(25)	0	(32)	(57)
Total Income	**(1,959)**	**(580)**	**(176)**	**(36)**	**(2,751)**

2022/23	Grants and Contributions £000	Fees and Charges £000	Sales Income £000	Other £000	Total £000
Conservation of the Natural Environment	(1,432)	(41)	0	0	(1,473)
Conservation of Cultural Heritage	(32)	(5)	0	(4)	(41)
Recreation Management & Transport	(108)	(150)	(2)	0	(260)
Promoting Understanding	(5)	(26)	(177)	0	(208)
Rangers, Estates and Volunteers	(20)	(1)	0	0	(21)
Development Management	(26)	(169)	0	0	(195)
Forward Planning and Communities	0	(102)	0	0	(102)
Corporate and Democratic Core	(6)	(17)	0	0	(23)
Support Services	0	(12)	0	(21)	(33)
Total Income	**(1,629)**	**(523)**	**(179)**	**(25)**	**(2,356)**

11. Reserve Balances

Accounting Policy

The Authority sets aside specific amounts for future policy purposes or to cover contingencies. Reserves are created by transferring amounts out of the General Fund Balance. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against Surplus or Deficit on the Provision of Services in the Comprehensive Income & Expenditure Statement. The reserve is then transferred back to into the General Fund Balance so that there is no net charge against Government Grant for the expenditure. Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments and employee benefits and do not represent useable resources for the Authority; these reserves are explained in the relevant policies and in note 21.

Reserve Balances

Our reserve balances are regularly reviewed using a risk-based approach to determine their level and use; they are made up as follows:

- General Reserve (unallocated) - a contingency balance for emergency situations and is the minimum level that we have determined will always be maintained (in accordance with CIPFA guidance and good practice)
- Contingency Reserves (allocated) - provisions set aside using a risk-based analysis to cushion the impact of uneven cash flows and unexpected events where the timing of and / or amounts are uncertain
- Earmarked Reserves (allocated) - consisting of ring-fenced grants and contributions received from third parties, sums set aside for capital schemes, commitments against future contracts and agreements and external match-funding allocations where we are working in partnership with others
- Capital receipts Reserve – holds the proceeds from the disposal of land or other assets which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure

Movement in Earmarked Reserves	**Balance at 01/04/2022**	Transfers Out 2022/23	Transfers in/Within20 22/23	**Balance at 31/03/2023**	Transfers Out 2023/24	Transfers in/Within20 23/24	**Balance at 31/03/2024**
	£000	£000	£000	**£000**	£000	£000	**£000**
Appeals and litigation	**(250)**	0	0	**(250)**	0	(70)	**(320)**
Capital: replacement of IT Server	**(127)**	25	0	**(102)**	0	0	**(102)**
Property: repairs & maintenance	**(200)**	0	0	**(200)**	0	0	**(200)**
Pay and pensions	**(52)**	0	0	**(52)**	0	0	**(52)**
General inflation / loss of income	**(35)**	0	0	**(35)**	0	0	**(35)**
Invest to save & generate projects	**(34)**	0	0	**(34)**	0	0	**(34)**
Climate Change	**(50)**	0	0	**(50)**	0	0	**(50)**
Planning IT System	**0**	0	0	**0**	0	0	**0**
Budget commitments / contracts	**(113)**	63	(56)	**(106)**	56	(118)	**(168)**
Match-funding for projects	**(795)**	45	0	**(750)**	0	0	**(750)**
Grants and contributions received from third parties	**(500)**	115	(48)	**(433)**	38	(15)	**(410)**
General Reserve	**(500)**	0	0	**(500)**	0	0	**(500)**
Medium Term Financial Plan allocation	**(360)**	4	(539)	**(895)**	0	(13)	**(908)**
Total Earmarked Reserves	**(3,016)**	**252**	**(643)**	**(3,407)**	**94**	**(216)**	**(3,529)**
Capital Grant Unapplied						(33)	(33)
Capital Receipts Reserve	(21)	0	0	(21)	0	0	(21)
Total Reserves	**(3,037)**	**252**	**(643)**	**(3,428)**	**94**	**(249)**	**(3,583)**

12. Property Plant and Equipment

Property, Plant & Equipment Movements in 2023/24	**Land & Buildings**	**Vehicles, Plant, Furniture & Equipment**	**Community Assets**	**Total Property, Plant and Equipment**
Cost or Valuation	**£000**	**£000**	**£000**	**£000**
At 1 April 2023	3,261	541	216	**4,018**
Additions	845	78	0	**923**
Revaluation increases & decreases recognised in the Revaluation Reserve	23	0	0	**23**
Revaluation Increases recognised in the Surplus/Deficit on the Provision of Services	0	0	0	**0**
Disposals	0	(20)	0	**(20)**
Other Movements in cost/valuation	0	0	0	**0**
At 31 March 2024	**4,129**	**599**	**216**	**4,944**
Accumulated Depreciation and Impairment				
At 1 April 2023	0	(406)	0	**(406)**
Depreciation charge for the year	(498)	(22)	0	**(520)**
Depreciation written out to the Revaluation Reserve	498	0	0	**498**
De-recognition - Disposals	0	18	0	**18**
At 31 March 2024	**0**	**(410)**	**0**	**(410)**
Total Net Book Value at 31 March 2024	**4,129**	**189**	**216**	**4,534**

Property, Plant & Equipment Movements in 2022/23	**Land & Buildings**	**Vehicles, Plant, Furniture & Equipment**	**Community Assets**	**Total Property, Plant and Equipment**
Cost or Valuation	**£000**	**£000**	**£000**	**£000**
At 1 April 2022	3,345	505	216	**4,066**
Additions	0	36	0	**36**
Revaluation increases & decreases recognised in the Revaluation Reserve	56	0	0	**56**
Revaluation Increases recognised in the Surplus/Deficit on the Provision of Services	0	0	0	**0**
Disposals	(140)	0	0	**(140)**
Other Movements in cost/valuation	0	0	0	**0**
At 31 March 2023	**3,261**	**541**	**216**	**4,018**
Accumulated Depreciation and Impairment				
At 1 April 2022	0	(391)	0	**(391)**
Depreciation charge for the year	(367)	(15)	0	**(382)**
Depreciation written out to the Revaluation Reserve	360	0	0	**360**
De-recognition - Disposals	7	0	0	**7**
At 31 March 2023	**0**	**(406)**	**0**	**(406)**
Total Net Book Value at 31 March 2023	**3,261**	**135**	**216**	**3,612**

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

Asset Type	Estimated Useful Life	Depreciation Rate
Buildings	24-60 years	Straight line
Vehicles	7 years	Straight line
Plant, Equipment & ICT Hardware	3-14 years	Straight line

Revaluations

The Authority carries out a valuation programme that ensures that all Property, Plant and Equipment required to be measured is revalued at least every five years. However, the Authority decided to undertake annual valuations of its property portfolio in recent years. The most recent valuation was undertaken as at 31 March 2024. Land and building valuations are carried out by our qualified external Valuer, Stuart Oxton BSC (Hons) MRICS, Registered Valuer, of NPS South West Limited.

Valuations of land and buildings have been prepared in accordance with CIPFA guidance and in accordance with the current RICS Valuation – Global Standards and International Financial Reporting Standards (IFRS).

	Land & Buildings	Assets under Construction	Plant, Vehicles Furniture & Equipment	Community Assets	Total
	£000	£000	£000	£000	£000
Carried at Historical Cost	0	0	189	216	**405**
Valued at Current Value at 31 March 2024	3,284	0	0	0	**3,284**
Total	**3,284**	**0**	**189**	**216**	**3,689**

13. Heritage Assets

The Authority owns "Uppacott", a Grade 1(star) listed, Devon Longhouse. This property was acquired principally because of its historical and cultural value and provides opportunities for the public to increase their knowledge, understanding and appreciation of Dartmoor's cultural heritage. The acquisition was part funded by the Heritage Lottery Fund (HLF). The following table is a reconciliation of the carrying value (insurance rebuild cost). See note 12 for details of the valuation date and valuer.

2022/23		2023/24
£000		£000
840	Carrying Value at 1 April	866
26	Revaluation gain/(loss)	12
866	**Carrying Value at 31 March**	**878**

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 accounted for as part of the hardware item of Property, Plant and Equipment. The intangible assets include purchased licenses only, as the Authority does not internally generate software. 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 lives assigned to the major software suites used by the Authority are between 3-15 years and the carrying amount of assets is amortised on a straight-line basis. Amortisation is charged to the CIES by being absorbed as an overhead across all the service headings in the Net Expenditure of Services. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading. The movement of Intangible Asset balances during the year is as follows:

2022/23 £000	Intangible Assets	2023/24 £000
84	Gross Carrying Value at 1 April	113
29	Acquisitions	0
(90)	Accumulated Amortisation	(90)
23	**Net Carrying Value at 1 April**	23
0	Amortisation for the Period	(6)
23	**Net Carrying Value at 31 March**	**17**

15. Financial Instruments

The following categories of financial instrument are disclosed in the Balance Sheet:

2022/23 £000	**Current Assets and Liabilities** (amortised cost)	2023/24 £000
996	Cash at bank	3,624
2,000	Investments less than 90 Days	0
1,152	Debtors	407
(556)	Creditors	(536)

The (gains) and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments is as follows:

2022/23 £000		2023/24 £000
(24)	Interest and investment income (amortised cost)	(105)

16. Nature and Extent of Risks Arising from Financial Instruments

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

- Credit risk – the possibility that other parties might fail to pay amounts due
- Liquidity risk – the possibility that the Authority may not have funds available to meet its commitments to make payments
- Market risk – the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market movements

The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by Leadership Team, under policies approved by the Authority. The Authority has adopted the CIPFA Code of Practice for Treasury Management in Public Services and as part of this approves an annual Treasury Management Strategy and Practices which sets out the policies on borrowing, investment, credit risk and interest rate exposure. The Authority provides written principles for overall risk management as well as written policies covering specific areas, such as interest rate risk, credit risk and investment of surplus cash. The Authority, at all times, invests its surplus funds prudently. Priority is given to security and liquidity rather than yield.

Credit Risk and Expected Credit Loss Allowances

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers. This risk is minimised through the Authority's Annual Investment Strategy which requires that deposits are only made with financial institutions that meet certain minimum credit criteria. The Authority uses the ratings produced by all three of the UK's credit rating agencies.

Amounts arising from expected credit losses would normally be established for investments and debtors based on estimates of the losses that might be incurred if those owing money to the Authority fail to pay it back. In order to calculate an impairment loss allowance in respect of the Authority's bank deposits the Authority has used the combined historic default rate data from the three main credit rating agencies. We have concluded that the expected credit loss is not material therefore no allowance has been made.

The Authority's standard terms and conditions for payment of invoices (trade receivables) are 28 days from invoice date. Low risk, no history of default and with signed agreements in place with third parties, we have concluded that the expected credit loss is not material therefore no allowance has been made.

Liquidity Risk
The Authority has a comprehensive cash flow management system that seeks to ensure that cash is available when needed. Surplus cash is invested with financial institutions that meet certain minimum credit criteria and limits are set for the amount that can be invested for fixed periods. All trade and other payables are due to be paid in less than one year and the Authority currently has no borrowings. There is no significant current or future risk that it will be unable to raise finance to meet its commitments under financial instruments.

Market Risk
This is the risk that the Authority's investments will decrease due to changes in market factors which includes the following elements:

- Interest Risk. In terms of short-term cash investments, the variable rate of interest earned on surplus funds moves during the year and any assumptions in annual budgets are made cautiously based on current market and treasury forecasts. A 1% movement in interest rates would result in £20,000 more or less than budget if investments were held for a year. The Authority is currently debt free and has no plans to borrow.
- Price Risk. The Authority does not have any investments in equity shares or shareholdings.
- Foreign Exchange Risk. The Authority has no financial assets or liabilities denominated in foreign currencies and thus it has no exposure to loss arising from movements in exchange rates.

17. Inventories

Inventories (retail stock held for resale) are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using the weighted average costing formula. The Authority has three Visitor Centres within the National Park, which sell books, maps, souvenirs, items of clothing and other suitable material that promotes National Park Purposes and this defrays the cost of the overall service. The Visitor Centres exist to further the provision of information and education, the "trading" results therefore, while significant, are incidental to the main provision of a Visitor Centre Service. Hence, there is no attempt to recharge proportions of staffing or other premises costs against the gross profit stated below.

2022/23		**2023/24**
£000		**£000**
(174)	Gross Sales	(173)
88	Plus: Opening inventory	70
79	Plus: Purchases	91
(70)	**Less: Closing Inventory at 31 March**	**(65)**
(77)	Gross profit	(77)

18. Debtors

Representing sums of money owed to the Authority for goods and services supplied during the year and not paid for by 31 March, or where the Authority has made payments in advance.

2022/23 £000		2023/24 £000
862	Central Government Bodies	185
62	Other Local Authorities	4
275	Other entities and individuals	274
1,199	**Total at 31 March**	**463**

19. Cash and Cash Equivalents

31st March 2023 £000		31st March 2024 £000
996	Bank current accounts	3,624
2,000	Investments less than 90 days	0
2,996		3,624

20. Creditors

These represent sums of money owed by the Authority for goods and services received during the year and not paid for by 31 March, or where the money has been received by the Authority in advance.

2022/23 £000		2023/24 £000
(13)	Other Local Authorities	(17)
(687)	Other entities and individuals	(574)
(700)	**Total at 31 March**	**(591)**

21. Unusable Reserves

Movements in usable reserves are detailed in the Movement in Reserves Statement.

2022/23 £000		2023/24 £000
(2,621)	Revaluation Reserve	(2,744)
(1,913)	Capital Adjustment Account	(2,718)
914	Pensions Reserve	120
59	Accumulated Absences Account	55
(3,561)	**Total Unusable Reserves at 31 March**	**(5,287)**

Revaluation Reserve

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

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

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

2022/23 £000		2023/24 £000
(2,549)	Balance at 1 April	(2,621)
(440)	Upward revaluation of assets	(530)
(2,989)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	(3,151)
270	Difference between fair value depreciation and historical cost depreciation and written off to the Capital Adjustment Account	407
98	Amounts written off to the Capital Adjustment Account	0
(2,621)	**Balance at 31 March**	**(2,744)**

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.

2022/23 £000		2023/24 £000
52	Balance at 1 April	59
(52)	Settlement or cancellation of the accrual made at the end of the preceding year	(59)
59	Amounts accrued at the end of the current year	55
7	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on the accruals basis is different from the remuneration chargeable in the year in accordance with statutory requirements	(4)
59	**Balance at 31 March**	**55**

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 subsequent costs.

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

2022/23 £000		2023/24 £000
(2,001)	Balance at 1 April	(1,914)
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
388	Charges for depreciation and impairment of non-current assets	525
0	Amortisation of intangible assets	0
133	Amounts Non-current assets written off on disposal	2
(1,480)		(1,387)
(369)	Adjusting amounts written out of the Revaluation Reserve	(408)
(1,849)	Net written out amount of the cost of non-current assets consumed in the year	(1,795)
	Capital financing applied in the year:	
(65)	Capital expenditure charged against the General Fund	(923)
(1,914)	**Balance at 31 March**	**(2,718)**

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 pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2022/23 £000		2023/24 £000
15,597	Balance at 1 April	914
(15,859)	Re-measurements of the net defined liability/(asset)	(828)
1,731	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	626
(555)	Employer's pensions contributions and direct payments to pensioners payable in the year	(592)
914	**Balance at 31 March**	**120**

22. Cash Flow Statement – Operating Activities

The Surplus or Deficit on the Provision of Services has been adjusted for the following non-cash movements:

2022/23 £000		2023/24 £000
(388)	Depreciation and amortisation	(523)
(1,176)	Movement in pension liability	(34)
(18)	Increase / (decrease) in inventory	(5)
969	Increase / (decrease) in debtors	(736)
(362)	(Increase) / decrease in creditors	272
(133)	Net book value of disposals	(2)
(1,108)	**Total Non-Cash Movements**	**(1,028)**

2021/22 £000		2021/22 £000
0	Proceeds from sale of non-current assets	0

23. Cash Flow Statement - Investing Activities

2022/23 £000		2023/24 £000
65	Purchase of property, plant and equipment	923
0	Sale of property, plant and equipment	0
65		923

24. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in year, together with the resources used to finance it is set out in the table below. If capital expenditure is the be financed in future years by charges to revenue as assets are used, the expenditure results in an increase to the Capital Finance Requirement (CFR), a measure of the capital expenditure incurred historically that has yet to be financed.

2022/23 £000		2023/24 £000
0	**Opening Capital Financing Requirement**	**0**
65	Capital Investment: Property, plant & equipment	923
	Source of Finance:	
(65)	Direct revenue contribution	(78)
0	Capital Grant	(845)
0	**Closing Capital Financing Requirement**	**0**

25. External Audit Costs

The Authority has incurred the following costs in relation to the audit of the Statement of Accounts.

2022/23 £000		2023/24 £000
20	Fees payable to external audit services carried out by the appointed auditor for the year	40

26. Officers' Remuneration

Senior Officers Remuneration

The Authority is required to name all officers that earn over £150,000 per annum for all or part of a year (there are none); and to list all officers who earn between £50,000 and £150,000 for all or part of a year, and who also fit the following criteria:

- They report directly to the Chief Executive, or;
- They are part of the Authority's Senior Management Team, or;
- They hold posts required by statute (the Chief Finance Officer and the Monitoring Officer)

		Salary, Fees & Allowances £	Expenses Allowances £	Pension Contribution £	Total £
Chief Executive (NPO)	**2023/24**	105,452	316	21,090	**126,858**
	2022/23	101,886	1,179	17,728	**120,793**
Director of Conservation & Communities	**2023/24**	69,278	104	13,856	**83,238**
	2022/23	64,245	207	11,179	**75,631**
Head of Organisational Development	**2023/24**	56,439	18	11,288	**67,745**
	2022/23	53,115	90	11,179	**64,384**
Head of Business Support	**2023/24**	55,213	16	11,043	**66,272**
	2022/23	52,031	0	9,053	**61,084**

Officer Remuneration

The Authority's <u>other</u> employees receiving more than £50,000 remuneration for the year (excluding employer pension contributions) is set out below:

2022/23 Number of Employees	Renumeration Band	2023/24 Number of Employees
1	50,000 - 55,000	0

One employee received remuneration over £50,000 in 2022/23 being in respect of a redundancy payment at the termination of their employment. There were no exist packages for 2023/24 This note excludes senior officers who are included in the previous table.

Exit Packages

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

Exit Package cost band (including Special Payments)	(a) Number of compulsory redundancies		(b) Number of Other departures agreed		Total number of exit packages by cost band (a + b)		Total cost of exit packages in each band (£)	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
£0 - £20,000	2	0	0	0	2	0	6,933	0
£20,001 - £40,000	1	0	0	0	1	0	20,033	0
Total Cost in CIES	**3**	**0**	**0**	**0**	**3**	**0**	**26,966**	**0**

27. Members' Allowances

The Authority paid the following amounts to Members of the Authority during the year:

Name	Allowance	Expenses	Total	Appointed By
	£	£	£	
AC Cooper*	2,898	0	2,898	Secretary of State - National
W Dracup*	2,659	0	2,659	Secretary of State - National
C Farrell	225	214	439	Standards Committee - Independent
R Glanville	541	0	541	Secretary of State - Parish
GJ Gribble	1,932	0	1,932	Devon County Council
PW Harper*	3,864	0	3,864	Secretary of State - National
SG Hill	1,932	0	1,932	Secretary of State - Parish
MH Jeffery	1,454	0	1,454	Secretary of State - Parish
JR McInnes*	2,898	0	2,898	Devon County Council
SA Morgan*	3,864	0	3,864	Teignbridge District Council
C Mott	1,519	0	1,519	West Devon Borough Council
DE Moyse	450	0	450	West Devon Borough Council
FJ Nutley	1,932	69	2,001	Teignbridge District Council
N Oakley*	698	0	698	Secretary of State - National
M Owen	1,397	0	1,397	Secretary of State - National
CM Pannell	465	0	465	Secretary of State - Parish
G Pannell	1,646	0	1,646	South Hams District Council
MC Renders	1,932	0	1,932	West Devon Borough Council
L Samuel	1,932	0	1,932	Devon County Council
PR Sanders*	3,864	180	4,044	Devon County Council
PC Smerdon*	2,498	0	2,498	Secretary of State - Parish
D Thomas	1,932	0	1,932	Devon County Council
PC Vogel*	432	0	432	Secretary of State - Parish
CT Webber	472	0	472	Standards Committee - Independent
M Williams	1,516	0	1,516	Secretary of State - Parish
PE Woods*	7,694	7	7,701	Secretary of State - National
Total 2023/24	**52,646**	**470**	**53,116**	
Total 2022/23	**51,273**	**162**	**51,435**	

* Includes Chair, Deputy Chair or special responsibility allowances. Allowances are not an indication of individual attendance.

28. Grant Income

The Authority credited the following grants and contributions to the Comprehensive Income and Expenditure Statement.

2022/23 £000	Credited to Services	2023/24 £000
(1,074)	Defra	(1,048)
(231)	South West Water	(355)
(97)	Environment Agency	(215)
0	National Parks Partnership	(98)
(79)	Devon County Council	(43)
0	Dartmoor Preservation Association	(30)
(30)	Royal Countryside Fund	(30)
(10)	Defence Infrastructure	(18)
(31)	Historic England	(28)
(28)	National Trust	(41)
(5)	Police and Crime Commissioner Devon and Cornwall	(10)
0	Rural Payments Agency	(6)
(16)	Duchy of Cornwall	(19)
0	Royal Agricultural Benevolent Institution	(2)
(2)	Okehampton Hamlets Parish Council	(2)
0	Devon Wildlife Trust	(2)
0	National Parks England	(2)
(3)	Woodland Trust	(2)
0	University of Exeter	(1)
(1)	English Heritage Trust	(1)
(1)	Dartmoor Common Land Owners Association	0
(6)	Department for Levelling Up, Housing and Communities	(6)
(5)	Forestry England	0
(5)	Shallowford Trust	0
(5)	South Downs National Park	0
(2)	Other	0
(1,631)	**Total**	**(1,959)**

The Authority did not receive any grants that have yet to be recognised as income within Comprehensive Income and Expenditure Statement as they have conditions attached to them that may require the monies to be returned to the giver if the conditions are not yet met in 2023/24. The balances at the year end are:

2022/23 £000	Revenue Grant Receipts in Advance	2023/24 £000
(163)	Defra	0
(163)		**0**

29. 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 of the accounts 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.

Central Government has effective control over the general operations of the Authority predominantly via the Department for Environment, Food and Rural Affairs (Defra). Defra is responsible for providing the statutory framework, within which the Authority operates, provides the majority of its funding in the form of National Park Grant and prescribes the terms of many of the transactions that the Authority has with other parties. Details of transactions with government departments are set out Notes 7 and 28.

Members of the Authority have direct control over the Authority's financial and operating policies. A list of the Members' allowances paid in 2023/24 is shown in Note 27. The Authority's Standing Orders require Members to declare their interests in related parties in a register of interests. In addition Members are asked to declare separately any transactions with the Authority. No material transactions have been disclosed.

Officers of the Authority are bound by the Authority's Code of Conduct which seeks to prevent related parties exerting undue influence over the Authority. Senior Officers are required to declare any transactions with the Authority. No transactions have been disclosed.

Other Partnerships
The Authority is a partner in the National Parks Shared Internet Portal Project, to which the annual contribution for membership is £10,000 (£10,000 in 2022/23); the accountable body is National Parks UK Ltd.

The Authority is holding a cash balance of £350,000 (received in 2015/16) from a Developer, representing a commuted sum, for a S106 Planning Obligation Agreement on land at Chagford. This is in lieu of making provision within the development for community purposes in accordance with the adopted Local Plan and it is to be passed on to third party(s) to secure delivery of those community purposes. This balance is therefore excluded from the Authority's primary financial statements, as it does not represent DNPA funds. Officers are currently in discussions with the Chagford Community Land Trust about options for the use of this money.

The Authority is owed a cash balance of £90,043 from the 'Dartmoor Dynamics Landscape' Heritage Lottery Funded Landscape Partnership project development. The Authority is the lead and accountable body for the partnership development phase, and as this is not monies in relation to DNPA funds per say, the income and expenditure relating to the project is accounted for separately and therefore excluded from the Authority's primary financial statements.

30. Leases

Authority as Lessee

The Authority has two administrative buildings that have the attributes of finance leases. The Authority's interest in the assets is included within non-current assets on the balance sheet. The lease liability is not included within the balance sheet as the sum is not material. The annual lease payments are accounted for within the Comprehensive Income and Expenditure Statement as they fall due.

2022/23 £000	Land and Buildings carried as Property, Plant & Equipment in the Balance Sheet (net amounts)	2023/24 £000
99	Parke, Bovey Tracey (DNPA Headquarters)	83
680	High Moorland Office and Visitor Centre, Princetown	690
779	**Total**	**773**

2022/23 £000	Future Minimum Lease Payments	2023/24 £000
8	Not later than one year	8
24	Later than one year and not later than five years	16
32		**24**

Operating Leases

- Multiple land leases, many of which are at nil payment or a peppercorn rent
- Equipment with lease terms of five years or less

2023/24 Future Minimum Lease Payments	Land & Buildings £000	Vehicles £000	Equipment £000
Not later than one year	8	10	5
Later than one year and not later than five years	24	19	4
Later than 5 years	286	0	0
	318	**29**	**9**

2022/23 Future Minimum Lease Payments	Land & Buildings £000	Vehicles £000	Equipment £000
Not later than one year	8	0	5
Later than one year and not later than five years	24	0	7
Later than 5 years	291	0	0
	323	**0**	**12**

2022/23 £000	Expenditure charged to Comprehensive Income and Expenditure Statement in year:	2023/24 £000
5	Recreation management and Transport	5
3	Rangers, Estates and Volunteers	3
13	Support Services (Corporate amounts)	23
21		**31**

31. Termination Benefits

In 2023/24 the Authority did not have any terminated contracts of employee, and therefore did not incur liabilities. In 2022/23 Authority terminated the contracts of three employees, and incurred liabilities of £26,966. See Note 26 for the number and the total cost per band.

32. Defined Benefit Pension Schemes

As part of the terms and conditions of employment, the Authority makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement. The Authority participates in the Local Government Pension Scheme (LGPS) which is a funded, defined benefit statutory scheme, administered by Devon County Council in accordance with the Local Government Pension Scheme Regulations 2013. The Authority and its employees pay contributions into a Fund, calculated at a level to balance the pension liabilities with investment assets.

The Investment and Pension Fund Committee, at Devon County Council, oversees the management of the Fund whilst the day-to-day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers. As administering authority to the Fund, Devon County Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Statement of Investment Principles. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The latest actuarial valuation of the Fund was carried out as at 31 March 2019 and contributions have been set for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

- Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cash flows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Devon County Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers. All of the risks above may also benefit the employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.
The Authority's Pension Fund liability does not represent an immediate call on reserves; it is a snap-shot valuation in time, based on assumptions. The true value of the deficit is assessed on a triennial basis with contribution rates set to recover the balance over the longer-term.

The Court of Appeal judgment on the McCloud and Sargeant cases, relate to age discrimination against the age-based transitional provisions put into place when the new judicial pension arrangements were introduced in 2015. Regulations in respect of the McCloud and Sargeant judgements came into force on 1 October 2023. These may affect the value of the liabilities in respect of accrued benefits and therefore the Actuary has made an allowance which is consistent with the method adopted at the last actuarial valuation.

Transactions Relating to Retirement Benefits

The cost of retirement benefits in the reported Cost of Services is recognised when they are earned by employees, rather than when benefits are eventually paid as pensions. However, the charge that is required to be made against Government Grant is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

2022/23 £000		2023/24 £000
	Comprehensive Income & Expenditure Statement	
	Cost of Services:	
1,316	Current service cost	556
0	Past service costs, including curtailments	22
	Other Operating Expenditure:	
16	Administration expenses	17
	Financing and Investment Income and Expenditure:	
399	Net interest expense	31
1,731	**Total Post Employment Benefit charged to the Surplus or Deficit on the Provision of Services**	**626**
	Other Post Employment Benefit charged to the Comprehensive Income and Expenditure Statement	
	Re-measurement of the of the net defined benefit liability comprising:	
1,043	Return on plan assets (excluding the amount included in the net interest expense)	(1,761)
(15,850)	Change in financial assumptions	(642)
(2,382)	Change in demographic assumptions	(359)
(142)	Other actuarial gains/(losses) on assets	0
0	Changes in effect of asset ceiling	1,867
1,472	Experience (gain)/loss on defined benefit obligation	67
(15,859)	**Total Post Employment Benefit charged to the Comprehensive Income and Expenditure Statement**	**(828)**
	Movement in Reserves Statement	
(1,731)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post-employment benefits in accordance with The Code	**(626)**
	Actual amount charged against the General Fund Balance for pensions in the year	
545	Employer's contributions payable to the scheme	581
10	Retirement benefits payable to pensioners – discretionary benefits arrangements	11
555		**592**

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Authority's obligation in respect of its defined benefit plans is as follows:

2022/23 £000	Net Pension Liability	2023/24 £000
(26,816)	Present value of the defined benefit obligation	(26,737)
26,031	Fair value of Fund assets	28,604
(785)	Sub-total	1,867
0	Impact of asset ceiling	(1,867)
(129)	Present value of unfunded obligation	(120)
(914)	**Net Defined Benefit (Liability) / Asset at 31 March**	**(120)**

2022/23 £000	Reconciliation of the Movements in the Fair Value of Fund Assets	2023/24 £000
26,221	Opening fair value of fund assets	26,031
682	Interest on assets	1,240
	Re-measurement gain/(loss):	
(1,043)	Return on plan assets less interest	1,761
142	Other	0
(16)	Administration expenses	(17)
555	Contributions by employer (including unfunded)	592
191	Contributions by employees	191
(701)	Benefits paid	(1,194)
26,031	**Closing Fair Value of Fund Assets at 31 March**	**28,604**

2022/23 £000	Reconciliation of Present Value of Fund Liabilities (Defined Benefit Obligation)	2023/24 £000
(41,818)	Opening balance at 1 April	(26,945)
(1,316)	Current service cost	(556)
(1,081)	Interest cost	(1,271)
(191)	Contributions by scheme participants	(191)
	Re-measurement gain/(loss):	
2,382	Change in demographic assumptions	359
15,850	Change in financial assumptions	642
(1,472)	Experience (loss)/gain on defined benefit obligation	(67)
0	Past service costs, including curtailments	(22)
691	Benefits paid	1,183
10	Unfunded pension payments	11
(26,945)	**Closing Balance at 31 March**	**(26,857)**

2022/23 £000	Effect of the Asset Ceiling	2023/24 £000
0	Changes in the effect of the asset ceiling	(1,867)
0	**Closing Balance at 31 March**	**(1,867)**

The Local Government Pension Scheme Assets

The estimated asset allocation for Dartmoor National Park Authority as at 31 March 2024 is:

2022/23 £000		Fair Value of Scheme Assets	2023/24 £000	
1	0%	Gilts	0	0%
2,053	8%	UK Equities	402	1%
11,661	45%	Overseas Equities	15,293	53%
2,282	9%	Property	2,197	8%
2,340	9%	Infrastructure	2,898	10%
1,809	7%	Target Return Portfolio	676	2%
309	1%	Cash	644	2%
5,566	21%	Other Bonds	6,500	23%
10	0%	Alternative Assets	(6)	0%
26,031		**Total**	**28,604**	

Based on the above, DNPA's share of the assets in the Fund is approximately 0.48%.

The percentage of the total Fund held in in each asset class (split by those that have a quoted market price and those that do not):

Fair Value of Scheme Assets		31 March 2024	
		% Quoted	**% Unquoted**
Corporate Bonds	UK	7.0%	
	Overseas		
Equities	UK		
	Overseas	54.0%	
Property	UK		8.0%
	Overseas		
Others	Absolute Return Portfolio	2.0%	
	Private Equity		1.0%
	Infrastructure		11.0%
	Derivatives		
	Multi Sector Credit	12.0%	
	Private Debt		3.0%
	Cash/temporary Investments		2.0%
Net current assets	Debtors		
	Creditors		
Total		**75%**	**25%**

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. The Fund liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries, estimates for the Fund being based on the latest full valuation of the Scheme as at 31 March 2022. The next valuation of the Fund will be carried out as at 31 March 2025 and will set contributions for the period from 1 April 2026 to 31 March 2029.

The principal assumptions used by the actuary have been:

31 March 2023		31 March 2024
	Long-term expected rate of return on assets in the scheme:	
4.80%	Discount rate	4.90%
	Mortality Assumptions:	
	The assumed life expectations from age 65 are:	
21.8	Men	21.5
22.9	Women	22.7
	Retiring in 20 years:	
23.1	Men	22.8
24.4	Women	24.1
	Financial Assumptions:	
3.95%	RPI increases	3.25%
2.95%	CPI increases	2.90%
3.95%	Rate of increase in salaries	3.90%
2.95%	Rate of increase in pensions	2.90%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. 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. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Sensitivity Analysis	**£000**	**£000**	**£000**	**£000**	**£000**
Adjustment to discount rate:	0.5%	0.1%	0.0%	-0.1%	-0.5%
Present value of obligation	24,891	26,445	26,857	27,280	29,079
Projected service costs	523	595	615	635	722
Adjustment to long term salary increase:	0.5%	0.1%	0.0%	-0.1%	-0.5%
Present value of obligation	27,068	26,899	26,857	26,816	26,654
Projected service costs	617	615	615	614	613
Adjustment to pension increases and deferred revaluation:	0.5%	0.1%	0.0%	-0.1%	-0.5%
Present value of obligation	28,902	27,246	26,857	26,478	25,048
Projected service costs	725	635	615	595	521
Adjustment to mortality age rating assumption:		+1 Year	None	-1 Year	
Present value of obligation		27,752	26,857	25,993	
Projected service costs		636	615	593	

Impact of the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant rate as possible. The Authority has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over a 17-year period. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed as at 31 March 2025.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits. The Authority anticipates that it will pay £0.654 million expected contributions to the scheme in 2024/25.

GLOSSARY OF FINANCIAL TERMS

Accounting Policies
Accounting Policies determine the basis on which income and expenditure, assets and liabilities, transactions and adjusting events are reflected in financial statements. For example, an accounting policy for a particular type of expenditure may specify whether an asset or a loss is to be recognised, how it is to be measured and where in the comprehensive income and expenditure statement or Balance Sheet it is to be presented.

Accruals
Except for the Cash Flow Statement, the Statement of Accounts is prepared using the Accruals basis of accounting. This requires the non cash effects of transactions to be reflected in the accounting period during which those effects are experienced and not in that during which any cash is paid or received. On this basis, income and expenditure is reported when the related activity or benefit actually occurs.

Actuary
An Actuary is an expert on pension scheme assets and liabilities. Actuaries compute the actuarial charges falling die in each year in accounting for retirement benefits. Actuaries also make recommendations every three years regarding the rate of employer contributions due to the Local Government Pension Scheme.

Amortisation
Amortisation represents the use of economic benefits derived from intangible assets and is charged on a straight-line basis over their useful lives. These are reviewed annually. Amortisation is charged with but is distinct from impairment charges.

Appropriation
Certain charges and credits which are made to the comprehensive income and expenditure account do not affect the authority's funding requirements and so are not chargeable to the general fund. In such cases appropriation of the amount concerned is made from the general fund to the relevant unusable reserve. The authority may also set sums aside for planned future expenditure by appropriation of the funding to earmarked reserves. All appropriations are included in the movement in reserves statement.

Balance Sheet
The balance sheet is one of the primary financial statements and presents the authority's recognised assets, liabilities and reserves as at the end of each financial year. It shows the distribution of assets in relation to short and long term liabilities and the extent to which the authority's net worth is available in usable and unusable reserves. Each balance sheet element is recognised and valued in accordance with the Code of Practice on Local Authority Accounting (the Code) as set out in supporting notes.

Budget
A Budget is approved annually by the Authority's and sets out the approved spending and income for a financial year. It is prepared in accordance with legislation applicable to local authorities and the National Park Grant Memorandum issued by Defra. The budget does not include any of the adjustments needed to comply with financial reporting standards, as such and is not truly comparable with the results as shown in the Comprehensive Income and Expenditure Account for the year.

Capital Adjustment Account
The Capital Adjustment Account records the funding from internal resources of Capital Expenditure and the financing (under statute) of certain revenue expenditure. It also includes, for existing Property, Plant and Equipment, the revaluation gains accumulated prior to 1 April 2007 (the date on which a separate revaluation reserve was established). It is an unusable reserve and relevant adjustments are summarised in the Movement in Reserves Statement. Categorised as timing adjustments, these typically comprise period Depreciation, Amortisation and Impairment debits, charges for financing of certain revenue expenditure under statute or for repayment of financial

assistance for capital purposes, revaluation deficit adjustments, credits for financing charges to Revenue (including MRP) and for unconditional grants applied to Capital Expenditure. Finally, there are adjustments in respect of assets reclassified (as investments or assets held for sale) or de-recognised on disposal.

Capital Charges
Depreciation, Amortisation and downward revaluations (subject to restriction) are charges made to the comprehensive income and expenditure account for the use, depletion or impairment of non-current assets during each financial period. These charges do not affect the funding position of the Authority and are accordingly appropriated from the general fund to the capital adjustment account. Capital Charges reduce the carrying value of non-current assets and correspondingly reduce the capital adjustment account and (subject to restriction) the revaluation reserve.

Capital Expenditure
Capital Expenditure represents expenditure on the construction, acquisition, development or improvement of Property, Plant and Equipment and of Intangible Fixed Assets (principally, software licenses). Under legislation it may be financed from capital sources or from funds set aside from revenue. It is to be distinguished, however, from Revenue Expenditure funded from Capital Under Statute, which is charged, appropriately, as revenue expenditure in the Comprehensive Income and Expenditure Statement and only matched with its capital funding by transfer in the Movement in Reserves Statement.

Capital Receipts
Capital Receipts are income received from the sale of Property, Plant and Equipment or Intangible Assets. They are available only to finance new Capital Expenditure or to repay debt. Until this occurs, they are held on the Capital Receipts Reserve.

Cash Flow Statement
The Cash Flow Statement summarises the inflows and outflows of cash and cash equivalents resulting from operations, and from investing and financing activities. It also shows how the net cash flow from operations is related to the Net Surplus or Deficit on Provision of Services.

CIPFA
CIPFA (The Chartered Institute of Public Finance and Accountancy) is the lead body for setting standards in public sector accounting practice.

Comprehensive Income and Expenditure Statement
The Comprehensive Income and Expenditure Statement shows the cost in the year of providing services in accordance with generally accepted accounting practices (rather than the amount to be funded from taxation or NPG).
It discloses the gross income and expenditure of continuing operations analysed by service, any exceptional items, other operating expenditure, financing and investment income and expenditure, and taxation and non-specific grant income. These items together comprise the surplus or deficit on the provision of services. Below this line, valuation and actuarial gains and losses are included in order to arrive at the total comprehensive income and expenditure. Those elements which are not to be included in the surplus or deficit under statutory regulations are transferred to the respective Unusable Reserves in the Movement in Reserves Statement.

Community Assets
Assets that the Authority intends to hold in perpetuity, that have no determinable and useful life (where useful life is defined as a period of time over which the Authority benefits from the use of the asset) and that may have restrictions on their disposal.

Contingent Liability
Contingent liabilities arise where, firstly, past events precipitate a present obligation which is either unlikely to result in a transfer of economic benefit or cannot be measured with sufficient reliability. Secondly, past events may give rise to a possible obligation whose existence can only be confirmed by some future occurrence not wholly under the authority’s control. A contingent liability is not

provided for, therefore, either because of the improbability of outflow or the inability to measure it. Contingent liabilities are disclosed by way of note.

Contributions
Contributions are receivable other local authorities and other non-governmental bodies in respect of the authority's functions carried out independently. They are distinguishable from fees and charges income, which is received under a contract of supply. The same distinction applies to contributions paid by the authority. Contributions receivable are distinguished from grant income only in that grants are received from UK or EU governments (or their agencies).

Credit Loss
Credit loss is the difference between all contractual cash flows that are due to the Authority and all the expected cash flows (i.e. cash shortfalls) discounted at the effective rate of interest.

Creditors
Creditors are amounts due to third parties as at the balance sheet date arising from goods or services that have been received but for which payment has not been made, from income received in advance of supply, or from unspent grant monies covered by a repayment clause. Creditors also include provisions and amounts held on account for payment.

Current Assets/Liabilities
Current Assets are either assets held with the expectation of realisation within twelve months of the Balance Sheet date or cash. Current Liabilities are liabilities due for settlement within twelve months of the Balance Sheet date.

Current Value
The Code has introduced the concept and definition of current value to the measurement of property, plant and equipment. Current value measurements reflect the economic environment prevailing for the service or function the asset is supporting at the reporting date.
For non-specialised assets, current value should be interpreted as existing use value. In the RICS Valuation – Professional Standards, this is market value based on the assumption that property is sold as part of the continuing enterprise.
For specialised assets where no market exists, current value should be interpreted as the present value of the assets' remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Under these circumstances, property, plant and equipment is measured at Depreciated Replacement Cost.

Debtors
Debtors are amounts owed to the authority at the balance sheet date where services have been delivered but payment has not been received. An unexpired period in a period-based charge is also included under debtors as expenditure in advance.

Depreciation
Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. As charged in the Comprehensive Income and Expenditure Statement, it represents the measure of the cost or re-valued amount consumed during the period. Depreciation is charged with but is distinct from Impairment.

Fair Value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial Reporting Standards (FRS)
Are accounting standards developed by the Accounting Standards Board. They determine the standards adopted in the preparation and presentation of the Authority's accounting records.

General Fund
The General Fund is the usable revenue reserve which finances the Authority's working capital. It represents the cumulative net budget surplus after appropriations to or from earmarked reserves.

Government Grants
Government Grants are amounts receivable from Government and Government agencies, (local, national or international), in order to fund Capital Expenditure or services and statutory functions. Government Grants are held as Creditors until all conditions for their receipt have been met. They are then included in the Comprehensive Income and Expenditure Statement. Specific revenue grants are allocated to service expenditure lines while other grants are included in Taxation and Non-specific Grant Income. Capital grants, once recognised, are transferred in the Movement in Reserves Statement to reserves; either to Capital Grants Unapplied or, when consumed, to the Capital Adjustment Account. Contributions from other bodies are accounted for in the same way as their Government grant equivalents. The following abbreviations have been used to describe awarding bodies in the analysis of Government Grants:

- DEFRA = Department [for] the Environment, Farming and Rural Affairs

Heritage Assets
A tangible asset with historic, scientific, technological, geophysical or environmental qualities held and maintained principally for its contribution to knowledge and culture, included in the Balance Sheet at insurance valuation.

Impairment
Impairment is the charge made in order to reduce the carrying amount of Property, Plant and Equipment or Intangible Assets to the recoverable amount. An Impairment loss is recognised when a specific asset's remaining service potential has been detrimentally affected by, for example, obsolescence, damage, or the adverse effects of reorganisation or regulatory changes. It is distinct from revaluation losses which, being price based, are non-specific in nature. Impairment also has separate applications to Financial Instruments.

Intangible Assets
Intangible assets have no physical substance but have a value in use of more than one year. These assets are not considered as marketable and are included in the balance sheet, subject to any impairment, at amortised historical cost. All intangible assets currently owned by the authority are software licences.

International Financial Reporting Standards (IFRS)
These standards are issued by the international accounting standards board. They are adapted under the auspices of CIPFA so as to apply to local authorities and consolidated in the code of practice on local authority accounting (the Code).

Leases
Two types of leases are accounted for. Finance leases transfer substantially all the risks and rewards of ownership of the assets concerned to the authority as lessee; operating leases do not. The type of lease concerned in a particular case will be determined using a list of prescribed criteria which include, for example, the length of the contract (in relation to the life of the asset), the nature of the asset (whether for specialist or general use) and the allocation of responsibility for maintenance and insurance. Operating leases are included simply as expenditure in the comprehensive income and expenditure account. Finance leases are capitalised as corresponding assets (within property, plant and equipment) and liabilities (discounted to net present value). The lease payments are similarly disaggregated as repayment of principal and interest while depreciation is charged annually to the service for which it is used.

Minimum Revenue Provision (MRP)
MRP represents the minimum amount that, under Government regulations, the General Fund must be charged each year in order to fund the repayment of existing debt.

Movement in Reserves Statement

The Movement in Reserves Statement sets out the transfers between reserves which are mad in arriving at their balance sheet values. The Surplus or (Deficit) on the Provision of Services is carried to the general fund. Appropriations are then made (to exclude non-monetary charges and credits) to unusable reserves, except for asset disposal sales proceeds and unapplied capital grants, which are usable reserves. Other discretionary appropriations are made to earmarked reserves for projected future spending. Appropriations are also made between the capital adjustment account and either the capital receipts reserve or capital grants unapplied reserve in order to reflect the application of capital grants and disposal receipts already credited to the comprehensive income and expenditure account. Adjustments to revaluation surpluses similarly involve the capital adjustment account and the revaluation reserve.

NPE

National Parks England, formally: English National Park Authorities Association (ENPAA).

Net Book Value/Carrying Amount

Net Book Value is the carrying amount at which assets and liabilities are included in the Balance Sheet under the Code. In the case of Financial Instruments, it is stated after including any timing adjustments and, in the case of property, plant and equipment and intangible assets, any revaluation, depreciation or amortisation. In all cases it is stated after any recognised Impairment.

NPMP

National Park Management Plan – the single most important strategic plan for all National Parks and is a statutory requirement.

NP (UK) Ltd

National Parks UK Ltd formerly: Association of National Park Authorities (ANPA)

NPP LLP

National Parks Partnerships Limited Liability Partnership: a company set up and owned by all 15 UK National Park Authorities to create and manage commercial partnerships between commercial companies and the Parks.

Outturn

Outturn represents the annual results of the revenue and capital programmes which the Authority reports in order to account for its use of public funds under government legislation. It is reported in the same terms as the budget. It is not subject to external audit, does not comply with the Code, nor does it include a balance sheet. As such is not truly comparable to the statement of accounts.

Prior Period Adjustments

Prior period adjustments are adjustments, applicable to prior years, arising from changes in Accounting Policies or from the correction of material errors. They do not include corrections of recurring items or adjustments of accounting estimates made in prior years.

Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are included in the balance sheet under the heading of property, plant and equipment. Such assets are carried at current value and are regularly revalued in order to ensure that this remains the value at which they are reported annually. Where there is no market-based evidence of current value (because of the specialist nature of an asset), depreciated replacement cost is used as an estimate of current value. Depreciation is charged annually by reference to the remaining useful life of an asset or of each class of component making up that asset. Surplus assets are valued at fair value.

Provisions
A provision is a liability of uncertain timing or amount. It is recognised when there is a present obligation (whether legal or constructive) as a result of a past event where a transfer of economic benefit is likely to result and a reliable estimate of this transfer can be made.

Related Parties
Parties are considered to be related if one party has the ability either to control the other party or to exercise significant influence over it in making financial or operating decisions. Parties are also related if they are subject to common control. Related parties include subsidiaries, associates, joint ventures, and possibly other entities or individuals. Central government is a related party by this definition. Related parties attract additional disclosure requirements in order to identify the extent to which the authority may exercise or be subject to influence or control. The statement of accounts includes the following in this respect:

- Details of significant government grants and the awarding bodies;
- Transactions with subsidiary and associated companies;
- Transactions with the pension fund.
- Transactions with related individuals not applicable to other members of the community (for example, members and chief officers).

Revaluation Reserve
The revaluation reserve is an unusable reserve holding revaluation gains on property, plant and equipment and intangible assets. Each revaluation is asset specific, allowing no offset, and restricted to operational assets, thus excluding investment properties and surplus assets. Accounting for changes in valuation is closely prescribed and distinct from the treatment of impairment. Revaluations cannot be grouped or offset, and a revaluation deficit is appropriated to capital adjustment account.

Revenue Expenditure Funded from Capital Under Statute (REFCUS)
REFCUS is revenue expenditure that is funded from capital either because it is capital in nature (but not ownership) or because capital financing has been allowed by specific regulation. REFCUS is included accordingly in the Comprehensive Income and Expenditure Statement and transferred to Capital Adjustment Account in the Movement in Reserves Statement.

Section 151 Officer
The Section 151 Officer is the officer designated under that Section of the Local Government Act 1972 to take overall control of the financial affairs of the Authority and to take personal responsibility for its financial administration.

Service Level Agreement (SLA)
Sets out the type and standards of service that one organisation provides to another, or the services provided by one part of an organisation to another part of the same organisation.

Unusable Reserves
Unusable reserves are reserves that the authority is not able to utilise to provide services. These reserves fall into two categories, namely: revaluation balances and adjustment accounts. Revaluation gains held under the first category only become available for use when the assets to which they relate are disposed of and the gain realised as a capital receipt. In the second category, each reserve is named after the adjustment variously required to report the comprehensive income and expenditure account under the accounting basis. These adjustments are realised only by reversal and thus constitute timing differences. By these adjustments, the general fund continues to be stated under the funding basis required by regulation.

Usable Reserves
Usable reserves are reserves available to the authority for the provision of services although there may be statutory limitations on the type of use in each case. Reserves usable for capital expenditure consist of the capital receipts reserve (which may also be applied in the repayment of borrowings) and capital grants unapplied. Usable revenue reserves consist of the general fund together with any earmarked reserves set aside from general fund for specified future expenditure.

Valuation

Assets and liabilities are included in the Balance Sheet at their carrying amounts: those valuations determined in accordance with The Code. These are set out in the note on Accounting Policies.

ANNUAL GOVERNANCE STATEMENT 2023/24

SCOPE OF RESPONSIBILITY

Dartmoor 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 is used economically, efficiently and effectively. DNPA also has a duty under the Local Government Act 1999 to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of its functions and which includes arrangements for the management of risk.

The Authority has developed a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government.' A copy of the code is available on our website. The Annual Governance Statement explains how the Authority has complied with the Local Code of Corporate Governance and also meets the requirements of regulation 4(2) of the Accounts and Audit (England) Regulations 2015 and the amended regulations for 2021 in relation to the publication of a statement on internal control.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

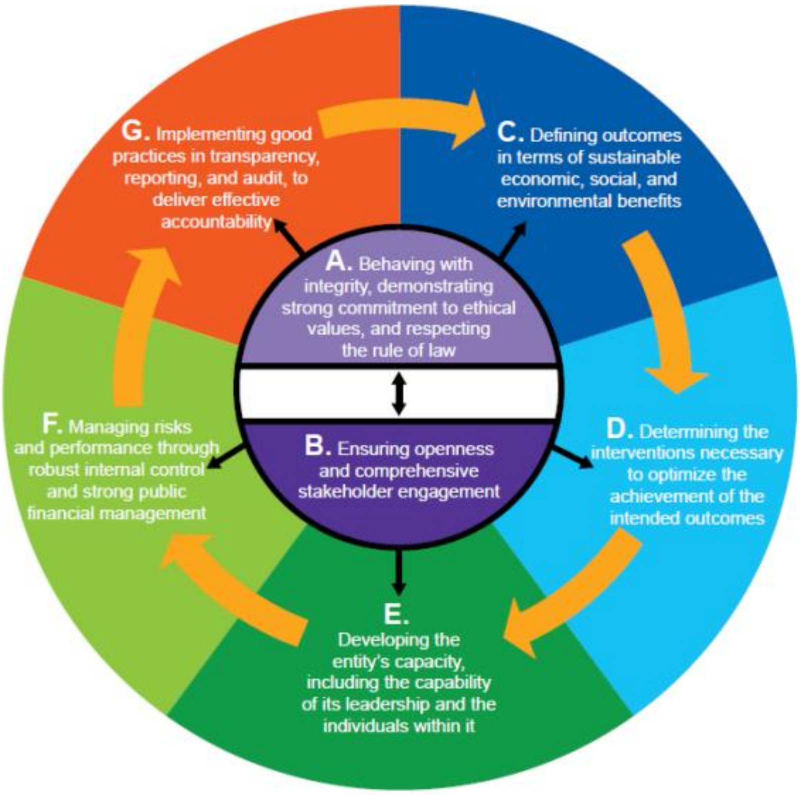
The governance framework comprises the systems and processes, and cultures and values, by which the Authority is directed and controlled and the activities through which it accounts to, engages with and leads the community, including residents, visitors and stakeholders. It enables the Authority to monitor 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 to 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.

The governance framework has been in place for the year ended 31 March 2024 and up to the date of approval of the Business Plan and Statement of Accounts. The framework has been further supported by the Local Code of Corporate Governance.

THE PRICIPLES OF GOOD GOVERNANCE

The CIPFA/SOLACE framework Delivering Good Governance in Local Government sets out seven core principles of good governance, these are:



THE GOVERNANCE FRAMEWORK & LOCAL CODE OF CORPORATE GOVERNANCE
The Authority operates within the CIPFA/SOLACE Framework above which ensures accountability to its users, stakeholders and the wider community to which it relates. It comprises the systems and processes, cultures and values by which decisions are made and functions undertaken to deliver the purposes and duties of the organisation.

The key elements of the systems and processes that comprise the Authority's governance arrangements include the following aspects:

- The vision, objectives and priorities for Dartmoor National Park are set out in the Dartmoor Partnership Plan 2021-26 (also referred to as the National Park Management Plan). The Plan was adopted by the Authority following an extensive process of community involvement. The Authority engaged with partners, stakeholders and the public so that they could help develop the future vision for the National Park and key priority actions to deliver that vision.

- The Business Plan for the Authority is a strategic document which provides a link between the Dartmoor Partnership Plan and work programmes (for teams and individuals). The Business Plan, including priorities and targets, is reviewed annually and a separate annual review is produced in June to report on performance and highlight key projects undertaken in-year. The performance of individual services/teams is monitored through a series of dashboards and agreed performance indicators which are reported to Audit and Governance Committee.

- The Authority's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer (CFO) in Local Government (2016).

- The principles of decision making are set out in the Authority's Standing Orders, supported by:

1. Financial Regulations, a Disposals Policy, a Sustainable Procurement Policy and Procurement Procedures;
2. The Authority's adopted codes of practice in relation to Treasury Management for Investments and for Capital Finance and Accounting (the Prudential Code)
3. Scheme of Delegation
4. Code of Conduct for Members and Officers
5. Job / role descriptions for Members and Officers
6. Policies and Procedures

- Public involvement and transparency in decision making is facilitated through formal consultations, workshops, involvement in service reviews, consultative forums with members of the community representing access, land use, conservation, businesses and community interests and public participation at the Authority and its Committees.

- Ensuring that established policies, procedures, laws and regulations are complied with is the responsibility of nominated statutory Officers, the Monitoring Officer and the Chief Financial Officer, as laid down in the Authority's Standing Orders & Financial Regulations.

- A Risk Management Strategy that defines and identifies the process for ongoing risk management and the responsibilities of the various stakeholders in the risk management process.

- A Strategic Risk Register is compiled, regularly reviewed and monitored by the Audit and Governance Committee and Leadership Team. Leadership Team monitors and manages operational risks via service plans, work programs and Service Dashboards. The Authority's internal project management guidance requires identification and management of risks.

- A programme of service reviews or value for money/business reviews that look closely at and challenge service provision and delivery and discharges the Government's Value for Money requirements for the Authority.

- Comprehensive budgeting systems set targets to measure financial performance which are reviewed by the Leadership Team and reported to the Audit and Governance Committee on a quarterly basis for detailed review and scrutiny.

- Performance management is applied consistently throughout the Authority against a Performance Management Framework. Reports of progress against performance targets are reported quarterly to the Leadership Team and the Audit & Governance Committee.

- The Standards sub-Committee monitors the ethical framework for the Authority and will alert the Authority to any potential issues arising from its decision-making processes.

All of the above elements are subject to independent challenge and scrutiny through Internal and External Auditors and other review bodies such as Defra.

REVIEW OF EFFECTIVENESS

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the system is informed by the work of the Leadership Team and other Officers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's (Devon Audit Partnership) annual report and also by responding to comments and recommendations made by external auditors and other review agencies and inspectorates. The Authority also ensures that assurance arrangements, from Internal Audit, conform with the governance requirements of the CIPFA Statement on the Role of the head of Internal Audit (2019).

The Authority's Chief Financial Officer and Monitoring Officer have also provided assurance that there have been no significant control issues that have required the need for: formal action in their respective roles; significant additional funding; had a material impact on the accounts; or resulted in significant public interest, damaging the reputation of the Authority.

Although a review of the effectiveness of the Governance arrangements is reported once per year to the Authority, the process of gathering evidence and monitoring performance is continual and is managed through reports to Audit & Governance Committee. The Actions identified to be addressed during the year were:

Action	**Progress**
Local Government Reorganisation and member training	The Authority's membership changed as a result of local elections and due to members stepping down after completing their tenure. In July 2023, new members attended workshops giving an overview of the Authority's work, policies and procedures, which also included outlining key aspects of their role with regard to governance.
Financial sustainability	Ongoing A balanced budget has been set for 2024/25 and beyond, but work continues to address budget shortfalls for 2025/26.
Review of Corporate documents	Members Code of Conduct - significant work has been undertaken by the Head of Organisation Development and the new code will be presented to the Authority members in June 2024.
External Audit	The transition from the auditor Grant Thornton to Bishop Fleming for the 2023-24 period has been completed. However, due to delays in the 2022/23 audit process, the handover occurred later than anticipated. Consequently, this delay has affected the timeframe for Bishop Fleming to obtain necessary information for the interim audit.

GOVERNANCE ISSUES

Although the Authority has been assessed as having strong Governance arrangements in place, to ensure continuous improvement, it is proposed that the following work is undertaken during 2024/25:

- Fursdon Review – to provide a secretariate role for the Governments' newly formed Land Use Management Group for Dartmoor, which has been created in response to the review.
- Produce a State of the Park report and up-dated Climate Action Plan
- Scoping work for the development of a new Local plan and revised National Park Management Plan
- Implementation of the new financial system, ensuring the Authority's requirements are met.
- Head of Business Support to review and update the financial regulations.
- Equality, Diversity and Inclusion – staff attendance to 'Inclusive Landscapes: Making Space for Everyone' workshops.
- Financial sustainability – continue to address Authority budget shortfalls in 2025/26

The Authority has not had to alter its governance arrangements or it's systems of internal control during 2023/24. Our business continued as usual through adapted ways of working, with staff continuing a blended approach to either work at home, in the office or a mixture of both. Committee meetings, working panels and other meetings are on a face-to-face basis, but we continue to provide for external speakers to still have the ability to remotely attend. We have not had to alter our longer-term plan, priorities, strategies, or plans. Our current governance arrangements and systems of internal control have remained fit for purpose.

CERTIFICATION
We have been advised on the implication of the results of the review of the effectiveness of the governance framework by the Audit and Governance Committee and a plan to address weaknesses and ensure continuous improvement of systems is in place.

We propose over the coming year to take steps to address the above matters 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.

Ms P Woods
Chair of the Authority

Date: 31st May 2024

K D Bishop
Chief Executive (National Park Officer)

Date: 31st May 2024