



Bannau
Brycheiniog

**Statement of Accounts
for the year ended
31st March 2025**

Bannau Brycheiniog National Park Authority



BANNAU BRYCHEINIOG NATIONAL PARK AUTHORITY
STATEMENT OF ACCOUNTS 2024/25

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The maintenance and integrity of the Bannau Brycheiniog National Park Authority's website is the responsibility of the Authority. The work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred, since audit certification, to the Statement of Accounts on the website.

NARRATIVE REPORT

1. INTRODUCTION

Bannau Brycheiniog National Park Authority is now two years into working with partners and other stakeholders to deliver the vision and missions of our National Park Management Plan *Dyfodol y Bannau*. Overall some good progress is being made both with delivery and with the push to address issues of financial sustainability and to ensure appropriate capacity and capability within the Authority itself.

Highlights this year have included commencing the process to begin a new Local Development Plan; significant work with partners to develop a new destination website, *Visitor information - Bannau Brycheiniog* and alongside this consulting on our approach to sustainable tourism; continuing the important work to address the health of the River Usk through the Usk Catchment Partnership; focusing on nature recovery at landscape scale and investigating potential funding models for this work; continuing to showcase our international designations and their importance for all our work, from engaging visitors to understanding the impact of climate change on our landscape and heritage.

Major storm events have reminded us how fragile our landscape is and how challenging conditions can be for those who work in and look after the Park in all its aspects. The Authority has had to respond to these major events and the impact they have had on key sites such as Craig y Nos Country Park and our National Park Visitor Centre.

Important day to day work has continued, from bringing groups of all kinds in to our landscape to discover, recover and be inspired and informed to delivering our local planning services and restoring our peatland. In many aspects of our work we have been fortunate to have the time and commitment of our volunteers and we continue to work with a wide range of partners whether statutory or the many community organisations and groups.

These Statements are produced to inform stakeholders, funders, Members of the Authority and the public about the financial performance and standing of the Authority. This Narrative Report gives a summary of the Statement of Accounts. It contains key financial information including a summarised revenue account, in addition to supporting information, to set out the cost of services and how costs were funded.

The Authority is required by law to produce an annual Statement of Accounts in accordance with proper accounting practices as laid down by the Chartered Institute of Public Finance and Accountancy (CIPFA) in its Code of Practice on Local Authority Accounting 2024-25 (the Code). It is also required to comply with the Accounts and Audit (Wales) 2014

Regulations and the Accounts , Audit (Wales) (Amended) Regulations 2018 and Public Audit (Wales) Act 2004.

This Narrative provides a brief explanation of the more significant matters reported in the accounts. Accounting statements are set out on later pages and consist of: -

A Statement of Accounting Policies - the basis upon which amounts have been included in the accounts using accepted accounting principles.

The Core Financial Statements

- **The Comprehensive Income and Expenditure Statement (CIES)** - the income and expenditure during the financial year, accompanied by notes which explain the figures further. The Code requires that this statement is structured and is in line with the service breakdown of income and expenditure reported by the Authority. The CIES therefore reports an analysis of expenditure and income by Directorate.
- **The Statement of Movements in Reserves** – shows the movement in year on reserves held by the Authority, analysed into 'usable' reserves and 'unusable' reserves. The statement shows the true economic cost of providing the authority's services and how those costs are funded from the various reserves held.
- **The Balance Sheet** - the assets and liabilities, cash held, and amounts set aside in reserves at the financial year-end. Notes are provided to give further details of specific balances.
- **The Cash Flow Statement** - shows the changes in cash and cash equivalents of the Authority during the reporting period. Further explanation is provided in the notes to the statement.

The responsible finance officer signed the statement of accounts on 10th December 2025. Significant events after the Balance Sheet date and up to the date of approval have been considered in preparing the Statement. The Statement has been audited by the Auditor General for Wales and a copy of his report is published with the Statement when this becomes available on completion of the audit. The Authority is also required to publish a Governance Statement. For further information and explanation of items in this document, please contact the Authority's Finance team finance@beacons-npa.gov.uk

2. ABOUT BANNAU BRYCHEINIOG NATIONAL PARK AUTHORITY

The Authority covers 520 square miles and is one of three National Parks in Wales. The Authority became an independent Special Purpose Local Authority with effect from 1st April 1996 and has two statutory purposes and one duty:

Purposes:

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

Duty:

- To foster the economic and social well-being of communities living within the National Park.

We are a special purpose local Authority and the National Park Authority is lead by 18 Members appointed by our constituent Local Authorities (12 Members) and Welsh Government (6 Members). The Members set the strategy and priorities in line with the National Park Management Plan taking into account the Term of Government Remit Letter from Welsh Ministers.

The Authority is the statutory Local Planning Authority for the area and is responsible for preparation of the Local Development Plan and determining planning applications.

Each year the Authority is required to publish a Corporate Plan setting out how it intends to employ its resources for the coming year to fulfil the purposes and duty in line with its current Management Plan for the Bannau Brycheiniog National Park 2022-2027. A review of the Authority's performance against the Corporate Plan is carried out annually. These documents are published on the Authority's website www.beacons-npa.gov.uk

3. INCOME AND EXPENDITURE

The gross cost to the Authority of providing its services, as reported to Members during the year for management purposes was £8,681k. The table below summarises expenditure and sources of funding and shows that £69k net was transferred from Earmarked Reserves to support total income of £8,269k.

The Welsh Government sets the Authority's approved level of net revenue expenditure for the year and pays 75% of this in National Park Grant. The remaining 25% can then be raised by the Authority by issuing a levy on the constituent Unitary Authorities. These are: Powys County Council, Carmarthenshire County Council, Monmouthshire County Council, Rhondda Cynon Taff County Borough Council, Merthyr Tydfil County Borough Council, Blaenau Gwent County Borough Council, and Torfaen County Borough Council. The Welsh Government provides specific revenue and capital funding for priority project delivery. Where this cannot be fully applied in the year in which it is received, it is held in an earmarked reserve and applied in future years.

Locally generated income and specific grants are allocated to individual services and are offset against the expenditure on those headings to arrive at the total net budgets and costs as reported to those responsible for management of the Authority. The table below shows how the net cost of services is derived from gross income and expenditure (see Note 1, Expenditure and Funding Analysis for a reconciliation of amounts reported to management on a directorate basis to the totals reported on the Comprehensive Income and Expenditure Statement).

The net costs for each service in the Comprehensive Income and Expenditure Statement include depreciation (the cost of wear and tear on buildings, equipment, etc.). Adjustments are also made for pension costs in accordance with the International Accounting Standard 19: Retirement Benefits (IAS 19). These technical adjustments are intended to bring the

Authority's accounts into line with UK Generally Accepted Accounting Policies. They indicate the full cost to the Authority in the relevant financial year of meeting all future commitments to its current and former employees under the Local Government Pension Scheme.

These adjustments do not affect the net revenue spend of the Authority, paid for by the Welsh Government and local taxpayers, supplemented by income generated by providing services. For a full explanation of the basis for the charges under IAS 19, see Note 30. The adjustments are not included in the budgeted figures as they have no impact on the cost of the Authority's operations for management purposes.

The pension assets of the Authority not recorded in the Balance Sheet were £29.7m (£29.2m as at 31/3/24) and liabilities of £24.5m (£28.0m as at 31/3/24), with an unrecognised net asset of £5.1m. In the CIES, the actuarial assessment of the Authority's assets and liabilities in the Fund has produced a net actuarial loss of £0.02m; last year an actuarial gain of £0.63m was advised.

Comparison of actual income and expenditure: Current and previous financial years

	2024/25	2023/24
	£000	£000
National Park Grant	3,499	3,309
National Park Levy	1,036	1,036
Government Grants and Contributions	2,285	1,576
Fees, Charges and other Service income	1,275	959
Interest Receivable	174	125
Total Income	8,269	7,005
Employee Expenses	4,902	4,512
Other Service Expenses	3,436	2,623
Total Expenditure	8,338	7,135
Transfers to/(from) Reserves	(69)	(121)
Total Expenditure after net transfers to/from Reserves	8,269	7,014
Net (cost)/income of Services (Contributions to/from General Fund)	0	(9)

Although the 2024/25 National Park core Grant from the Welsh Government and associated Levy funding remained at 2023/24 levels, the Authority did receive an additional Welsh Government in year grant of more than £1.4m. This grant is to be used and accounted for across several years to help support revenue expenditure.

The total in year grant funding went up from £5.9m in 2023/24 to £6.8m in 2024/25 with details of the sources of grant funds contained in Note 9 to the Statements of Accounts. Similarly, fees, charges and services income increased from £959k to £1,275k in 2024/25.

The Authority sought to deploy this non grant funding to support its statutory purposes and Governmental priorities.

Overall expenditure for the Authority of £8,338k increased by £1,203k, (16.9%), from 2023/24 and was due to increased employee costs of £390k and other operating costs of £813k. Staff full time equivalents (FTE's) increased from 91.0 as at 31/3/24 to 93.6 FTE's as at 31/3/25. All members of staff were awarded a flat increase pay of £1,925, pro-rated for non-FTE's.

Capital grants from various sources were successfully applied for during the year, and the Authority spent £972k on capitalised assets, details of which are shown in the Non-Current Assets (see Note 14: Property, Plant and Equipment and Note 15: Intangible Assets).

Earmarked reserves allow the Authority to set aside contingency funds to meet future commitments, such as the costs of Project Support, the Local Development Plan Enquiry and Sustainable Landscapes Sustainable Places Fund commitments. These reserves are used where the timing of funding receipts does not match the financial year of the related expenditure.

The Authority's total usable reserves increased between 31 March 2024 and 31 March 2025; from £3.125m to £3.146m. Most of these reserves are ring-fenced for specific project work and other commitments. However overall, some £93k of earmarked reserves were applied during the year to fund revenue and capital activities.

A comparison between the budgeted and actual income and expenditure account by service for 2024/25 is produced below. The table is in line with CIPFA's current Code of Practice, which requires authorities to account for expenditure and income in the same objective structure as is used for reporting to management.

To enable comparisons between the revised budget and the outturn, year-end recharges for capital charges (depreciation), accumulated absences and actuarially assessed pension scheme costs (in accordance with international accounting standards) have been applied to the budget figures to give an adjusted total.

Summary of principal variances between 2024/25 budget as adjusted and the Statement of Accounts.

Net Service Costs	2024/25 Adjusted Budget*	2024/25 Out-turn*	2024/25 Variance against adjusted Budget
	£000	£000	£000
Chief Executive's Office and Communications	472	445	-27
Nature and Climate Change	1,783	1,485	-298
Planning and Place	2,102	2,082	-20
Support Services Department	1,187	1,109	-78

Adjusted net cost of services	5,544	5,121	-423
Interest received	-200	-174	26
National Park Grant (Welsh Government)	-3,109	-3,499	-390
National Park Levy (Constituent Authorities)	-1,037	-1,036	1
National Park Capital Grant (WG)	-1,076	-972	104
Transfer to/(from) Reserves	-561	103	664
Adjusted net income	-5,983	-5,578	405
Accounting Adjustments reversed	439	457	18
Net Deficit /(Surplus)	0	0	0

*including notional depreciation, accounting standards adjustments for pension costs and other elements required by CIPFA for accounts preparation.

The above table shows that the Authority's net cost of services for the 2024/25 financial year of £5,121k was £423k (7%), below the budget of £5,544k. The underspend versus budget was due to the authority carrying a significant number of staff vacancies, projects not being progressed as anticipated and SLSP grant contributions used to core costs. These coupled with higher than budgeted National Park Grant meant that the Authority was able to add £103k to the useable reserves as opposed to budgeted drawing down £561k.

Actual salary costs of £3,618k were £274k below budget with actual superannuation costs of £711k, £68k below that budgeted. Several senior posts became vacant part way through the year, notably the Authority's solicitor, Senior Warden Manager, Senior Planning Officers and Head of Planning Policy. In addition, several other budgeted posts including Senior Finance Officer and a Community Officer, remained vacant for the full year.

On top of the originally notified National Park Grant Authority of £3,109k the Authority received an in year top up of £1,400k in revenue grant funding, £327k of this which was used to support Park expenditure during the year.

Significant Variances by directorate reported to Management

Chief Executive's Office and Communications (£27k Underspend)

Chief Executive's Office and Communications' total directorate spend of £445k was £27k or 6% below the budget of £472k. Included in the expenditure was a substantial bad debt provision which was offset by savings on other budget lines. The grant funded redevelopment of the Authority's website occupied much of the Communications department resources during the year and resulted in savings in other projects. Filming income of £12k versus a budget of £8k also contributed to the net underspend.

Nature and Climate Change (£298k Underspend)

Within the Nature and Climate Change directorate actual net expenditure of £1,485k compared to a budget of £1,783k, £298k or 17% below budget. Employment costs within the directorate of £1,404k were £72k under budget, vacancies in a Ranger and Corporate Services Officer posts were the main reason for the salary underspend. Other savings were due to: Contract Hire costs of £60k being £14k below budget, General Equipment expenditure of £60k, £40k below budget and Materials expenditure of £71k down £70k versus budget.

During the year the Authority received over £1,548k in grant funding which was allocated to this directorate; £550k under the W.C.V.A. Local Places For Nature Fund grant, £550k from the Welsh Government Sustainable Landscapes Sustainable Places grant and other funding from other sources including the UK Government Shared Prosperity Fund and the Access Improvement grant from NRW.

Planning and Place (£20k Underspend)

Total staffing costs of £2,308k across the Planning and Place directorate was £213k below budget. Several positions remaining vacant for part of the year, notably in Development Management, Strategy Policy and Heritage and Community Development, which offset budget overruns in other cost centres recorded in this directorate.

Total Planning Fee income of £174k was £40k below budget. Planning fees are set by the Welsh Government and there has been no fee increase since August 2020. WG have assured Planning Authorities that there will be a planning fee income rise in 2025-26 which should see this figure improve, aiming towards greater cost recovery.

During the year the Authority had to defend a judicial review at a cost of circa £45k. The Authority released Section 106 agreements and other Affordable Housing receipts to the value of £397k, part of which had been retained for a number of years.

While the Craig Y Nos centre ended the year on budget, net operating costs at the National Park Visitor Centre of £139k were £27k above budget. The Waterfall Car Park cost centre had a net surplus of £64k which was £34k better than that budgeted.

Support Services Department (£78k Underspend)

Most of the underspend for the directorate was again in relation to employment costs, actual costs of £794k which were £52k below budget. This was due in part to the departure of the Authority's solicitor during the year and the senior finance officer post remaining vacant for the full 12 months. Within the HR department legal fees were £15k above budget due to the cost of advice on employment related issues. There were also recorded underspends against IT software licences, office supplies and training budgets within this directorate

Looking Forward

Looking to the future, the Authority core annual budgets for 2025/26 and beyond show annual deficits which are being balanced by drawing on the Authority reserves which clearly isn't sustainable in the longer term. Factors outside the Authority's control continue

to dominate the future expectations and the finances for the Authority remain challenging. In addition to the impact of inflationary pressures of recent years, the National Park Grant and other core incomes are expected to continue at standstill at best. Pay awards are also likely to provide further pressure. The Authority is however actively exploring options to grow alternative income streams and review its structural operating costs. However, organisational capacity is a limitation here.

In March 2025 the Authority received a welcome and essential additional “top up” revenue grant from Welsh Government of £1.4m. This was in addition to the £1.0m revenue and £1.5m for capital received in March 2024. It is worth emphasising that without these additional grants the forecasted operating deficits for the current years and foreseeable future would have to be funded from the Authority own limited and finite reserves.

4) CAPITAL EXPENDITURE

The Authority spent £974k on capital projects and a summary of expenditure qualifying as capital for accounting purposes is provided below:

	2024/25 Actual £000	2023/24 Actual £000
Upland Access and Rights of Way Improvement Projects	0	28
Peatland Restoration	515	516
Gunpowder works	52	0
Keepers Pond	39	0
Four Fall Trail Design (ongoing works)	0	72
Vehicles and Equipment	162	126
National Park Visitor Centre improvements	0	95
Enhancement at Bikers Corner	0	32
Enhancement of the Govilon Line	0	10
Enhancement work at Craig Y Nos	105	179
Redevelopment of Cwmporth Waterfall	79	164
Planning Software	22	
Total expenditure classified as capital under accounting definition and policies*	974	1,222
Less:		
Grants & Contributions received in year	(974)	(996)
Transfer from the Capital Grants Unapplied Account	0	(172)
Use of Earmark Reserves	0	(54)
Net Expenditure	(974)	(1,222)

*Expenditure which meets the accounting definition of capital has been classified as capital and funded by in year grants, use of capital receipts, a legacy allocation and an appropriation from the Revenue Account. Expenditure

meets the relevant accounting de minimis criteria (as outlined in the Authority's accounting policies). When projects are completed, the resulting asset is included in the Authority's Balance Sheet.

5) Risks and opportunities

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

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 Financial Officer (Section 151 Officer).
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

THE CHIEF FINANCIAL OFFICER'S RESPONSIBILITIES

The Chief Financial Officer/S151 Officer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom*.

In preparing the Statement of Accounts, the Chief Financial Officer has:-

- Selected suitable accounting policies and then applied them consistently.
- Made judgements and estimates that were reasonable and prudent.
- Complied with the Code of Practice.

The Chief Financial Officer has also:

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

The Statement of Accounts gives a true and fair view of the financial position of the Authority at the accounting date and its income and expenditure for the year ended 31 March 2025. To comply with the Accounts and Audit (Wales) Regulations 2014, the responsible financial officer is required to re-certify the Statement immediately before their adoption by the Authority and after the completion of the audit, while the Chairman certifies approval of the audited Statement by the Authority.



Section 151 Officer
Brecon Beacons National Park Authority

Date: 10/12/2025



Chairman
Brecon Beacons National Park Authority

Date: 10/12/2025

The report of the Auditor General for Wales to the members of Brecon Beacons National Park Authority

Opinion on financial statements

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

Brecon Beacons National Park Authority's financial statements comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

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

- give a true and fair view of the financial position of Brecon Beacons National Park Authority as at 31 March 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of Brecon Beacons National Park Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

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

Other Information

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

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

I have nothing to report in this regard.

Opinion on other matters

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

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

Matters on which I report by exception

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

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

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

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the Responsible Financial Officer is responsible for:

- the preparation of the statement of accounts, which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the Brecon Beacons National Park Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by the Brecon Beacons National Park Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

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

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

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

My procedures included the following:

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

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, and the Audit and Risk Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Brecon Beacons National Park Authority;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

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

Other auditor's responsibilities

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

Certificate of completion of audit

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



Adrian Crompton
Auditor General for Wales
11 December 2025

1 Capital Quarter,
Tyndall Street,
Cardiff,
CF10 4BZ

Statement of Accounting Policies

General Principles

The accounts have been prepared in accordance with:

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

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

IFRS 16 Leases January 2016

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

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

The Statement of Accounts summarises the Authority's transactions for the 2024/25 financial year and its financial position at the year-end of 31 March 2025. The purpose of the Statement of Accounting Policies is to explain the calculation bases of the figures in the accounts.

Accounting Concepts

The accounts have been prepared in accordance with the following accounting principles and concepts.

Principles: relevance, reliability, comparability, understandability.

Concepts: materiality, faithful representation, timeliness, accruals, going concern, primary of legislative requirements.

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

Accruals of Income and Expenditure

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

- Revenue from the sales of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser, and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction, and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is reduced, and a charge is made to the expenditure and income account for the income that might not be collected.
- Transactions with a value of less than £1,000 will not be accrued unless there are specific operational reasons for doing so, such as grant claim administration.

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 investments that mature within 3 months 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.

Charges to Revenue for Non-Current Assets

Services, and support services are debited with the following amounts to record the cost of holding fixed assets during the year:

- Depreciation attributable to the assets used by the relevant service
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the revaluation reserve against which the losses can be written off
- Amortisation of intangible fixed assets attributable to the service

Leases

The Authority as Lessee

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

The authority classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 *Leases* to include arrangements with zero consideration, peppercorn or nominal payments.

Initial measurement of Right of Use Assets

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

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured

- using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the authority is reasonably certain to exercise
- lease payments in an optional renewal period if the authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the authority is reasonably certain not to terminate early.
- The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received. However, for peppercorn, nominal payments or zero consideration leases, the asset is measured at fair value.

Subsequent measurement

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

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

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

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

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

Low value and short lease exemption

As permitted by the Code, the authority excludes leases:

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

Lease expenditure

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

The Authority as lessor

Operating leases

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

Contingent Liabilities, Contingent Assets and Provisions

Contingent Liabilities

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

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

Contingent Assets

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

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential and they are material.

Provisions

Provisions are made where both of the following conditions apply: -

- an event has taken place that imposes on the Authority a legal or constructive obligation that probably requires settlement or a transfer of economic benefits or service potential
- a reliable estimate can be made of the amount of the obligation

Provisions are charged as an expense in the appropriate service line in the Comprehensive Income and Expenditure Statement when a quantifiable potential obligation is identified. The value of the potential cost is estimated as at the Balance Sheet date and carried in the Balance Sheet as a liability. When a payment is eventually made, it is charged directly to the provision.

Estimated settlements and their probability are reviewed at the end of each financial year and if it becomes unlikely that the expense will be incurred or the amount is expected to be reduced, the reduction or removal of the provision will be credited back to the service originally charged. Where some, or all, of the expense associated with a provision is expected to be recoverable from a third party, such as an insurer, this related income will not be recognised unless it is virtually certain to be received on discharge of the obligation.

Employee Benefits

Benefits payable during employment are received by current employees and are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is charged to Surplus or Deficit on the Provision of Services and then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

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

when the authority can no longer withdraw the offer of those benefits or when the authority recognises the costs of a restructuring.

Post-employment benefits (pensions) are earned by employees during their working life in return for services to their employer. Employees of the Authority are members of the Local Government Pension Scheme, administered by Powys County Council. The scheme provides defined benefits to members (retirement lump sums and pensions) earned as employees work for the Authority and is accounted for as a defined benefits scheme.

The liabilities of the Powys 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 retirements benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of earnings for current employees.

Liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields. The assets of the Powys Pension Fund attributable to the Authority are included in the Balance Sheet at their fair value. As follows:

- 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 Comprehensive Income and Expenditure Statement 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 Comprehensive Income and Expenditure Statement 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 and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of 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 and Expenditure.

actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

Contributions paid to the Powys 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 appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Reserve of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue.

Two types of events can be identified:

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

Events taking place after audit certification are not reflected in the Statement of Accounts.

Foreign Currency

Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the year-

end, they are reconverted at the spot exchange rate at 31 March. Resulting material gains or losses are recognised in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

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 has complied with the conditions attached to the payments, and the grants or contributions will be received.

Amounts recognised as due to the Authority are not credited to the Comprehensive Income and Expenditure Statement until there is reasonable certainty that conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor. Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to Capital Grants Unapplied Account. Where a grant has been used to finance capital expenditure, it is posted to the Capital Adjustment Account.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as Receipts in Advance. 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-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are 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 and carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or

abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Inventories

These have been included in the accounts at cost. This is a departure from the requirements of the CIPFA Code of Practice, which require stocks to be shown at the lower of actual cost or net realisable value, whichever is the lower. The difference is not considered to be material.

Overheads and Support Services

In accordance with the current CIPFA Code of Practice, the cost of support services is accounted for in the same format as presented to Authority Members in the management accounts. Support services and departmental management costs are shown in the department under which they are managed.

Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise because of a change in accounting policies or to correct a material error. 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 comparative amounts for the prior period.

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.

Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential

(i.e. repairs and maintenance) is charged as an expense when it is incurred. The Authority has set a minimum level of £10,000 for capitalising expenditure, with the exception of land and buildings which are always capitalised. Expenditure below the minimum level is treated as revenue. However, when there are projects with aggregated spend above £10,000 the project is capitalised.

Measurement

Assets are initially measured at cost, comprising the purchase price and 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.

Assets are then carried in the Balance Sheet using the following measurement bases: Infrastructure and community assets depreciated historical cost. All other assets: fair value, determined as the amount that would be paid for the asset in its existing use, existing use value.

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost is used as an estimate of fair value. Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value. Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

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

- Either, 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)
- Or, where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising 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 by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.
- where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

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

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer
- vehicles, plant, furniture and equipment – straight-line allocation over the useful life of the asset as advised by a suitably qualified officer
- infrastructure (rights of way, trails and associated structures) – straight-line allocation over the useful life of the asset as advised by a suitably qualified officer

In the absence of specific advice, the estimated asset lives used are as follows:

Vehicles and other equipment	5 years
IT equipment	3 years
Community and Infrastructure assets	20 years
Buildings	20 years
Intangible Assets	3 years

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is re-valued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously recognised losses in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale. When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement. As the Authority is debt free, 100% of any such receipts can be used to finance new capital expenditure.

The written-off value of disposals is not a charge against taxation, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Surplus Assets

Where an asset is no longer being used for operational purposes but is not being actively marketed, abandoned or scrapped, it is classified as a surplus asset. Surplus assets are valued at fair value (i.e. the price which would be received in an orderly transaction between market participants at the measurement date).

Reserves

The Authority sets aside specific amounts as usable reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on

the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated in the Movement in Reserves Statement.

Unusable reserves are maintained to manage the accounting processes for non-current assets, retirement and employee benefits and do not represent usable resources for the Authority.

Value added Tax

The accounts have been prepared on a VAT exclusive basis. Where VAT on an item of expenditure cannot be reclaimed, it is charged to the related service or capital project.



THE PRINCIPAL ACCOUNTING STATEMENTS

Explanatory note on the information included in the core financial statements.

The Statement of Accounts sets out details of the Authority's income and expenditure for the financial year 2024/25 and its Balance Sheet as of 31 March 2025. The four core financial statements reflect the National Parks activities including the specific projects undertaken and are as follows:

The **Comprehensive Income and Expenditure Statement** (CIES) 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 taxation. It also brings together all the gains and losses of the Authority for the year.

The **Movement in Reserves Statement** (MIRS) shows the movement in year on reserves held by the Authority, analysed into 'usable' reserves and 'unusable' reserves. The statement shows the true economic cost of providing the authority's services and how those costs are funded from the various reserves held.

The **Balance Sheet** shows the value of the assets and liabilities recognised by the National Park. The net assets of the National Park (assets less liabilities) are matched by the Usable and Unusable Reserves held by the National Park. Usable Reserves are those 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. Unusable Reserves are not available to fund services and include reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold, and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations.'

The **Cash Flow Statement** shows the changes in cash and cash equivalents of the National Park 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 flow arising from operating activities is a key indicator of the extent to which the operating activities of the authority are funding by way of grant and levies or from the recipients of services provided by the National Park. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the authority.

The notes on pages (18 – 31) Accounting Policies and pages (38 – 75) form part of the statement of accounts. provide more details about items contained in the statements.

Comprehensive Income and Expenditure Statement for the year ended 31st March 2025

	2024/25	2024/25	2024/25	2023/24 (Restated)	2023/24 (Restated)	2023/24 (Restated)
	Gross Expendit ure	Gross Income	Net	Gross Expendit ure	Gross Income	Net
	£000	£000	£000	£000	£000	£000
Chief Executive's Office and Communications	537	(92)	445	531	(122)	409
Nature and Climate Change Revenue	3,033	(1,548)	1,485	2,724	(1,145)	1,579
Planning and Place Revenue	3,998	(1,916)	2,082	3,387	(1,174)	2,213
Support Services	1,112	(3)	1,109	1,184	(12)	1,172
Cost of Services	8,681	(3,560)	5,121	7,826	(2,453)	5,373
Other Operating Expenditure (Note 6)			36			40
Financing and Investment Income and Expenditure (Note 7)			(189)			(115)
Taxation and Non-Specific Grant Income (Note 8)			(5,507)			(5,422)
(Surplus)/ Deficit on the Provision of Services			(539)			(124)
Surplus or deficit on revaluation of Fixed Assets			0			(112)
Actuarial (Gains)/Losses on Pension Assets/Liabilities (Note 30)			20			(628)
Other Comprehensive (Income) and Expenditure			20			(740)
Total Comprehensive (Income) and Expenditure			(519)			(864)

In 2024/25 the Monitoring Officer and Solicitor's Department and Programme Manager's Department were consolidated under the Support Services Department and the 2023/24 comparative data amended accordingly.

Movement in Reserves Statement

Year Ended 31st March 2025

	General Reserve	Earmarked Reserves	Capital Grants Unapplied Account	Capital Receipts Reserve	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2024	1,167	1,520	438	0	3,125	9,490	12,615
Movement in reserves during 2024/25							
Total Comprehensive Income and Expenditure	519				519		519
Adjustments between accounting basis and funding basis under regulations (Note 11)	(472)		(103)	21	(554)	554	
Net (Decrease)/Increase before Transfers to Earmarked Reserves	47	0	(103)	21	(35)	554	519
Transfers from Earmarked Reserves (Note 12)	(104)	104					
(Decrease)/Increase in 2024/25	(56)	104	(103)	20	(35)	554	519
Balance at 31 March 2025	1,111	1,624	335	20	3,090	10,043	13,133

The Movement in Reserves in Statements is reported in £'000 and to ensure the account balances are reported accurately at the end of the Financial Year there are several rounding adjustments.

Movement in Reserves Statement

Year Ended 31st March 2024

	General Reserve	Earmarked Reserves	Capital Grants Unapplied Account	Capital Receipts Reserve	Total Usable Reserves	Unusable Reserves	Total Authority Reserves
	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2023	1,176	1,612	692	0	3,480	8,438	11,918
Other Adjustments						(57)	97)
Restated balance 31 March 2023	1,176	1,612	692	0	3,480	8,381	11,861
Movement in reserves during 2023/24							
Total Comprehensive Income and Expenditure	124				124	628	752
Adjustments between accounting basis and funding basis under regulations (Note 11)	(222)		(255)		(477)	477	
Net (Decrease)/Increase before Transfers to Earmarked Reserves	(98)	0	(255)	0	(353)	1,105	752
Transfers from Earmarked Reserves (Note 12)	90	(90)					
(Decrease)/Increase in 2023/24	(9)	(92)	(254)	0	(355)	1,109	754
Balance at 31 March 2024	1,167	1,520	438	0	3,125	9,490	12,615

The Movement in Reserves in Statements is reported in £'000 and to ensure the account balances are reported accurately at the end of the Financial Year there are several rounding adjustments.

Balance Sheet as at 31st March 2025

	2024/25 £000	2023/24 £000
Property, Plant And Equipment (Note 14)	10,089	9,621
Right of use Assets (Note 14)	81	
Intangible Assets (Note 15)	19	25
TOTAL LONG-TERM ASSETS	10,189	9,646
Inventories (Note 18)	56	58
Short-term Debtors (Note 19)	1,558	1,656
Cash and Cash Equivalents (Note 20)	6,040	5,045
CURRENT ASSETS	7,654	6,759
Provisions	0	0
Short-Term Creditors (Note 21)	(4,690)	(3,792)
CURRENT LIABILITIES	(4,690)	(3,792)
Liability - Defined Benefit Pension Schemes (Note 30)	0	0
Long-Term Creditors (Note 21)	(20)	0
LONG TERM LIABILITIES	(20)	0
NET ASSETS	13,133	12,615
Capital Grants Unapplied Account	(335)	(438)
Other Usable Reserves	(2,755)	(2,687)
Total Usable Reserves (Note 12)	(3,090)	(3,125)
Unusable Reserves (Note 13)	(10,043)	(9,490)
TOTAL RESERVES	(13,133)	(12,615)

Cash Flow Statement

	2024/25 £000	2023/24 £000
Net (surplus) or deficit on the provision of services	(539)	(124)
Adjustments to net surplus or deficit on the provision of services for non-cash movements (note 22)	(81)	(997)
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(58)	-
Net cash flow from operating activities	(678)	(1,121)
Investing activities (Note 23)	(323)	(930)
Financing activities (Note 24)	6	-
Net (Increase) or decrease in cash and cash equivalents	(995)	(2,051)
Cash and Cash equivalents at the beginning of the reporting period	5,045	2,994
Cash and Cash equivalents at the end of the reporting period (Note 20)	6,040	5,045

Notes to the Financial Statements

NOTE 1: Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate how funding available to the National Park (e.g. from National Park Core Grant, levies) for the year has been used in the provision of services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes between the National Park's Directorates. Income and Expenditure accounted for under generally accepted accounting practices is presented more fully in the CIES.

	Net Expenditure Chargeable to the General Reserve 2024/24 £000	Adjustments between the Funding and Accounting Basis 2024/25 £000	Net Expenditure in the CIES 2024/25 £000
Chief Executive's Office and Communications	454	9	445
Nature and Climate Change	1,221	(264)	1,485
Planning and Place	1,992	(90)	2,082
Support Services Department	1,111	2	1,109
Net Cost of Services	4,778	(343)	5,121
Other Income and Expenditure	(4,882)	778	(5,660)
Deficit/(Surplus)	(104)	435	(539)
Movement on General Reserves and Earmarked Reserves:			
Opening Balance	2,687		
Movement	104		
Closing Balance	2,791		

	Net Expenditure Chargeable to the General Reserve 2023/24 £000	Adjustments between the Funding and Accounting Basis 2023/24 £000	Net Expenditure in the CIES 2023/24 £000
Chief Executive's Office and Communications	407	(2)	409
Nature and Climate Change	1,214	(365)	1,579
Planning and Place	1,916	(297)	2,213
Support Services Department	1,144	(28)	1,172
Net Cost of Services	4,681	(692)	5,373
Other Income and Expenditure	- 4,580	918	- 5,497
Deficit/(Surplus)	101	225	- 124
Movement on General Reserves and Earmarked Reserves:			
Opening Balance	2,788		
Movement	(101)		
Closing Balance	2,687		

In 2024/25 the Monitoring Officer and Solicitor's Department and Programme Manager's Department were consolidated under the Support Services Department and 2023/24 comparative data amended accordingly.

Adjustments between Funding and Accounting basis

The following explains the main adjustments from the Net Expenditure Chargeable to the Authorities General Reserve and Earmarked Reserves to arrive at the amounts in the CIES.

Adjustments from Capital purposes include (where they have taken place in year) depreciation, impairments and revaluations gains and losses. It also adjusts for revenue contributions to capital expenditure that are not chargeable under generally accepted accounting practices to the General Reserve.

Pension Adjustment show where costs have been affected by the removal of pension contributions and replaced with IAS19 costs.

Other adjustments are items that cannot be allocated to either Capital or Pension adjustments.

	Adjustments for Capital Purposes	Net Change for the Pension Adjustments	Other Adjusts	Total Adjusts
	2024/25 £000	2024/25 £000	2024/25 £000	2024/25 £000
Adjustments between funding and accounting basis				
Chief Executive's Office and Communications	0	3	6	9
Nature and Climate Change	-286	16	6	-264
Planning and Place	-139	25	24	-90
Support Services	-6	8	0	2
Cost of Services	-431	52	36	-343
Other Income and Expenditure	972	-30	-164	778
Difference between General Reserve surplus or deficit and CIES surplus or deficit on the provision of services	541	22	-128	435

	Adjustments for Capital Purposes	Net Change for the Pension Adjustments	Other Adjusts	Total Adjusts
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000
Adjustments between funding and accounting basis				
Chief Executive's Office and Communications	0	0	-2	-2
Nature and Climate Change	-363	0	-2	-365
Planning and Place	-280	0	-17	-297
Support Services	-23	(1)	-4	-28
Cost of Services	-666	-1	-25	-692
Other Income and Expenditure	1,224	-54	-253	917
Difference between General Reserve surplus or deficit and CIES surplus or deficit on the provision of services	558	-55	-278	225

In 2024/25 the Monitoring Officer and Solicitor's Department and Programme Manager's Department were consolidated under the Support Services Department and the 2023/24 comparative data amended accordingly.

NOTE 2: Accounting Standards Issued and Not Adopted

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

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

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

NOTE 3: Critical Judgements in Applying Accounting Policies

In applying the Authority's Accounting Policies, certain judgements have been made involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

There is uncertainty about future levels of funding for National Park Authorities in Wales beyond the 2025/26 financial year. However, the assumption has been made that this uncertainty is not yet sufficient to provide an indication that the assets of the Authority might be impaired because of a need to close facilities and reduce levels of services provision.

NOTE 4: Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures which are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made considering historical experience, current trends, and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. There was a review of valuations by the valuer in 24/25 however a full valuation took place in 23/24.

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions Liability/Asset	<p>Estimation of the net liability to pay pensions depends on several complex judgements relating to corporate bond yields, the discount rate used, projected rates of salary increase, mortality rates and expected returns on pension fund assets. An assessment of the pension liability has been provided by AON Solutions UK Limited, who also provide actuarial advice on the assumptions to be applied and their effect.</p>	<p>Changes in assumptions may interact in several ways and may have a large impact on the pension net liability in the financial statements. The accounting standard governing the accounting basis for Pension Scheme costs is known to cause volatility in estimates of assets and liabilities between years and hence large swings in both the CIES total and net assets figure in the balance sheet.</p>
Property, Plant and Equipment	<p>Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be carried out on individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets. Valuations ascribed to Property by the Authority's valuers are affected by market values which are substantially dependent on economic factors outside the Authority's control.</p>	<p>A reduction in useful life or identification of impairment increases the charge to the Cost of Services in the CIES and reduces the value of assets in the Balance Sheet.</p> <p>Changes in the market value of assets may result in the Authority's land and buildings being under- or over-valued. As a result of the war in Ukraine and difficult financial conditions in 2024/25, there is significantly more uncertainty in relation to property values. These impacts are potentially material but not yet quantifiable.</p>
IFRS 16	<p>IFRS 16 requires entities to make certain judgements and estimations</p>	<p>Critical judgements include: determining whether or not a contract contains a lease,</p>

		establishing whether or not it is reasonably certain that an extension option will be exercised, considering whether or not it is reasonably certain that a termination option will not be exercised, determining whether or not variable leased payments are truly variable, or in-substance fixed, for lessors, determining whether the lease should be classified as an operating or finance lease, calculating the appropriate discount rate to use, estimating the lease term, estimating variable lease payments dependant on an index or rate.
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NOTE 5: Events after the Balance Sheet date

The Statement of Accounts was authorised for issue by Chief Financial Officer on 27th August 2025. Where events taking place before this date provided information about conditions existing on 31 March 2025, the figures in the Statements and notes have been adjusted in all material respects to reflect the impact of this information.

NOTE 6: Other Operating Income & Expenditure

	2024/25 £000	2023/24 £000
Pension Fund Administration Costs	50	40
Net proceeds from sale of assets	(14)	-
Total	36	40

NOTE 7: Financing and Investment Income and Expenditure

	2024/25 £000	2023/24 £000
Interest on Pension Scheme net defined benefit liability	(20)	10
Interest receivable and similar income	(174)	(125)
Right of Use Finance Cost	5	0
Total	(189)	115

NOTE 8: Taxation and Non-Specific Grant Income (see also Note 9 - Total Grant Income)

	2024/25 £000	2024/25 £000	2023/24 £000	2023/24 £000
Levies on Constituent Local Authorities				
Powys County Council	609		609	
Carmarthenshire County Council	153		152	
Monmouthshire County Council	116		116	
Rhondda Cynon Taff County Borough Council	53		53	
Merthyr Tydfil County Borough Council	41		41	
Blaenau Gwent County Borough Council	32		32	
Torfaen County Borough Council	32		32	
Subtotal		1,036		1,035
Non-Specific Grant Income – National Park Grant		3,499		3,309
Capital Grants and Contributions applied in year		972		996
Other Grants		0		82
Total		5,507		5,422

NOTE 9: Grant Income

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

	2024/25 £000	2023/24 £000
Credited to Taxation and Non-Specific Grant Income		
National Park Grant	3,499	3,309
National Park Capital Grant included in the Comprehensive Income and Expenditure Statement	972	996
Other Wesh Government Grant	0	82
Levies – Powys County Council	609	609
Carmarthenshire County Council	153	152
Monmouthshire County Council	116	116
Rhondda Cynon Taff County Borough Council	53	53
Merthyr Tydfil County Borough Council	41	41
Blaenau Gwent County Borough Council	32	32
Torfaen County Borough Council	32	32
Total	5,507	5,422

Credited to Services		
EU-funded Grants	0	3
Other Government Grants	1,219	993
Other Local Authority Grants and Contributions	113	189
Other Grants	954	310
Donations and Legacies	1	0
Total credited to services	2,287	1,495
Total Grants, Contributions and Donations	7,794	6,917

NOTE 10: Subjective Analysis of Expenditure and Income

This note explains the nature of expenditure and income of the Authority as shown in the CIES

	2024/25	2023/24
	£000	£000
Expenditure		
Employee benefits	4,812	4,541
Other services	3,472	2,662
Depreciation, amortisation, revaluations	432	663
Interest Payments	5	10
Total expenditure	8,721	7,876
Income		
Fees, charges & services income	(1,275)	(958)
Interest & investment income	(193)	(125)
Levies	(1,036)	(1,035)
Government grants and other contributions	(6,756)	(5,882)
Total Income	(9,260)	(8,002)
Surplus / (deficit) on provision of services	539	124

NOTE 11: 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 proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure. Below is a description of the General Reserve, against which the adjustments are made.

General Reserve

The General Reserve is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities 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 Reserve, which is not necessarily in accordance with proper accounting practice. The General Reserve therefore summarises the resources that the Authority is statutorily empowered to spend on its services or on capital investment. Details of the adjustments are provided below:

Adjustments between accounting basis and funding basis 2024/25	General Reserve	Capital Grants Unapplied Account	Capital Receipts Reserve	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments to the revenue resources				
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements.				
Pension Costs (transfers to/from Pensions Reserve)	1			(1)
Accumulated Absences	38			(38)
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure	(513)			513
Total adjustment to revenue resources	(474)			474
Adjustments between revenue and capital resources				
Minimum Funding Requirement for Right of Use Assets	56			(56)
Transfer of capital grants and contributions to capital grants unapplied	16	(16)		
Transfer of capital grants and contributions to revenue (non-qualifying items not capitalised)	(119)	119		
Capital expenditure financed from revenue balances	972			(972)
Allocations to / from capital receipts reserve	21		(21)	
Total adjustments between revenue and capital resources				
Adjustments to capital resources	946	103	(21)	(1,028)
Total adjustments to capital resources	-	-	-	
Total adjustments	472	103	(21)	(554)

Adjustments between accounting basis and funding basis 2023/24	General Reserve	Capital Grants Unapplied Account	Capital Receipts Reserve	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments to the revenue resources				
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements.				
Pension Costs (transfers to/from Pensions Reserve)	57	-	-	(57)
Accumulated Absences	26			(26)
Reversal of entries included in the surplus or deficit on the provision of services in relation to capital expenditure	663	-	-	(663)
Total adjustment to revenue resources	746	-	-	(746)
Adjustments between revenue and capital resources				
Transfer of capital grants and contributions to capital grants unapplied				
Transfer of capital grants and contributions to revenue (non-qualifying items not capitalised)	82	(82)	-	-
Capital expenditure financed from revenue balances				
Capital Grants through the CIES	(1,224)	-	-	1,224
Total adjustments between revenue and capital resources	(1,142)	(82)	-	1,142
Adjustments to capital resources				
Use of capital receipts to finance capital expenditure				
Application of capital grants to finance capital expenditure	174	(174)	-	-
Total adjustments to capital resources	174	(174)	-	-
Total adjustments	(222)	(256)	-	478

NOTE 12: Total Useable Reserves

	2024/25 £000	2023/24 £000
Capital Grants Unapplied Account	(335)	(438)
General Reserves	(1,111)	(1,167)
Earmarked Reserves	(1,624)	(1,520)
Capital Receipts Reserve	(20)	0
Total Usable Reserves	(3,090)	(3,125)

Movement In Earmarked Reserves

This note details the amounts set aside by the Authority out of its revenue resources to meet future costs whose timing and extent are uncertain. These reserves are held until required or until the Authority decides that the anticipated costs will not arise.

A summary of movements in earmarked reserves for the last two financial years is provided below:

	Balance at 31 March 2023 £000	Transfers out £000	Transfers in £000	Balance at 31 March 2024 £000	Transfers out £000	Transfers in £000	Balance at 31 March 2025 £000
Welsh Government Specific revenue grants committed to projects	253	(168)	0	85	(6)	0	79
S106/Affordable Housing sums received by the Authority but not yet applied	407	(146)	0	261	(31)	0	230
Other Earmarked Reserves	952	(71)	293	1,174	(56)	197	1,315
Total	1,612	(385)	293	1,520	(93)	197	1,624

The purposes of earmarked reserves, with balances greater than £30k, contained in the table above are given below.

Welsh Government Specific Revenue Funding 2017 £41k (2023/24 £47k). This reserve holds the unspent portion of revenue funding for a range of specific projects, provided to the Authority in addition to its core grant in 2016/17.

S106/Affordable Housing Reserve £230k (2023/24 £261k). This reserve has been established to retain S106 sums payable to the Authority in relation to property development pending their allocation to applicants for the provision of affordable housing.

Planned Deficit Reserve £404k (2023/24 £404k). This reserve for the planned deficit of the Authority was set up in 2022/23 to reflect the impact on the balance held in General Reserves. It is expected that future expenditure will be above income in core activities of the Authority, in the medium term. As the Authority has forecasted deficits for the forthcoming two years, it is prudent to prepare for this impact.

Legacy Receipts Reserve £104k (2023/24 £104k). This reserve was set up to earmark funding in the form of bequests until it can be appropriately used to benefit the National Park.

Conservation Fund Reserve £83k (2023/24 £83k). Fees received by the Authority from organisations using Authority land for filming, net of any related costs, are set aside to use on environmental improvement projects and other expenditure to benefit the National Park.

The Sustainable Development Fund £36k (2023/24 £51k).

Project Support £155k (2023/24 £118k). Established to fund additional demands and costs that may potentially arise on the implementation of time specific projects.

Local Development Plan Enquiry Reserve £59k (2023/24 £69k). The Authority is legally required to publish a Local Development Plan periodically. This involves extensive consultation and data collection, a public enquiry held by an external Planning Inspector and publication costs at intervals of 3-5 years. Funds were set aside each year to help fund these recurring costs. The current Plan was adopted in 2014, and an annual monitoring report is made to the Welsh Government.

Reserve provision for termination costs of temporary project officer posts £50k (2023/24 £50k). Established in recognition of the increasing proportion of employees who are temporarily employed for specific projects, to cover potential unfunded expenses incurred at termination of contracts. Reserve provision for Pooled Vehicle Replacement £60k (2023/24 £60k). This reserve is held to fund the future replacement of pooled vehicles. The aim is to add each year to the balance where funds are available.

In addition to the above the following reserves were created in 2023/24; Peatland Project £30k, Nature Mission and Biodiversity Revenue Priorities Fund £72k, Knowledge

Management Revenue Fund £17k. In 2024/25 a reserve of £150k was created to cover the repairs required to Keepers Pond under the Reservoirs Act 1975 enforced by Natural Resources Wales.

NOTE 13: Unusable Reserves

Unusable Reserves are those that are restricted and cannot be used to finance the Authority's operational activities.

This is due to one of two reasons:

- They represent assets recognised in the accounts, but which are not readily available to support current spend
- or
- They represent future liabilities that will fall to the Authority in later years but under statute are not chargeable against the budget until they become due, e.g. pensions deficits.

	31 March 2024/25 £000	31 March 2023/24 £000
Revaluation Reserve	3,388	3,397
Capital Adjustment Account	6,767	6,243
Accumulated Absences Account	(112)	(150)
Pensions Reserve	0	0
Total	10,043	9,490

Revaluation Reserve

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

- revalued downwards or impaired and the gains are lost
- used in the provision of service and the gains are consumed through depreciation, or
- disposed of and the gains are realised.

The Reserve contains only net revaluation gains accumulated since it was established on 1 April 2007. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	2024/25 £000	2023/24 £000
Balance at 1 April	3,397	3,405
Difference between fair value depreciation and historical cost depreciation	(9)	(10)
Revaluation in year	0	2
Amount written off to the Capital Adjustment Account	0	0
Balance at 31 March	3,388	3,397

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 additions to those assets under statutory provisions. The account is debited with the cost of acquisition, construction or subsequent costs as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement. The account is credited with the amounts set aside by the authority as finance for the costs of acquisition, construction and subsequent expenditure. The account contains accumulated gains and losses on investment properties and gains recognised on donated assets that have yet to be consumed by the Authority.

The Account also contains revaluation gains accumulated on property, plant and equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains. The movement on the reserve during the year is as follows:

	2025 £000	2024 £000
Balance at 1 April	6243	5,730
Adjustment		(57)
Revised at 1 April	6,243	5,673
Capital funded items charged to the CIES		
Charges for depreciation and impairment of non-current assets	(426)	(386)
Amortisation of intangible assets	(6)	(6)
Subtotal	(432)	(392)
Values released from revaluation reserve		
Depreciation costs funded from revaluation reserve	9	10
Revaluations Charged to Capital Adjustment Account	0	(271)

Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(81)	0
Net costs of non-current assets used in year	(504)	(653)
Capital financing applied in the year		
Use of capital receipts reserve to finance capital expenditure	0	0
Capital grants and contributions from CIES	972	996
Funding from the capital grants unapplied account	0	173
Use of Earmarked Reserved	0	54
Minimum Funding Requirement for Right of Use Assets	56	0
Subtotal	1,028	1,223
Balance at 31 March	6,767	6,243
<i>The opening balance on the Capital Adjustment Account for 2023/24 was amended to reflect write-downs of assets in prior years. This has also been adjusted for in the opening balance of the Land & Buildings account</i>		

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 CIES 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 statutory arrangements ensure that funding will have been set aside by the time the benefits come to be paid. During the year the Pension Reserve remained at a nil balance. A further explanation of the movement is provided in Note 30.

	2024/25 £000	2023/24 £000
Balance at 1 April	0	(573)
Actuarial gains/(losses) on funded pensions assets and liabilities	(20)	630
Adjustment for restrictions of surplus	4,000	1,110
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	(690)	(700)
Employer's pension contributions and direct payments to pensioners payable in the year	711	644

Effect of IAS 19 and IFRIC adjustment to negate Pension Asset	(4,001)	(1,111)
Balance at 31 March Surplus / (Deficit)	0	0

The 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 due but untaken at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

	2024/25 £000	2023/24 £000
Balance at 1 April	(150)	(125)
Settlement or cancellation of accrual made at the end of the preceding year	150	125
Amounts accrued at the end of the current year		
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(113)	(150)
Balance at 31 March	(113)	(150)

NOTE 14: Property, plant and equipment

Movements in 2024/25	Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets under Construction £000	Total Property, Plant and Equipment £000
Cost or Valuation:	5,717	1,104	2,774	1,570		65	11,230
At 1 April 2024							
Additions	277	161	514			22	974
Valuation increases/(decreases) recognised in the Revaluation Reserve							
Valuation increases/(decreases) recognised in the surplus/deficit on the provision of services*							
De-recognition (disposals and write- offs)		-94				-65	-159
Transfers (assets re- classified)							
At 31 March 2025	5,994	1,171	3,288	1,570		22	12,045
Accumulated depreciation and Impairment							
At 1 April 2024	2	524	879	204			1,609
Less accumulated depreciation written out on revaluation/disposals		-78					-78
Depreciation written out to the surplus/deficit on the provision of services	35	160	166	64			425
Total depreciation charge for the year	35	82	166	64			347
At 31 March 2025	37	606	1,045	268			1,956
Net Book Value							
At 31 March 2024	5,715	580	1,896	1,366		65	9,621
At 31 March 2025	5,957	565	2,243	1,302		22	10,089

Movements in 2023/24	Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets under Construction £000	Total Property, Plant and Equipment £000
Cost or Valuation:							
At 1 April 2023	5,657	907	2,187	1,570	0	143	10,464
Other Adjustment	-57						-57
Restated at 1 April 2023	5,600						10,407
Additions	438	197	587				1,222
Valuation increases/(decreases) recognised in the Revaluation Reserve	-128	0	0	0	0	0	-128
Valuation increases/(decreases) recognised in the surplus/deficit on the provision of services*	-271	0	0	0	0	0	-271
De-recognition (disposals and write- offs)	0	0	0	0	0	0	0
Transfers (assets re- classified)	78					-78	
At 31 March 2024	5,717	1,104	2,774	1,570		65	11,230
Accumulated depreciation and Impairment							
At 1 April 2023	96	386	730	140	0	0	1,352
Less accumulated depreciation written out on revaluation/disposals	-129	0	0	0	0	0	-129
Depreciation written out to the surplus/deficit on the provision of services	35	138	149	64	0	0	386
Total depreciation charge for the year	-93	138	149	64			258
At 31 March 2024	2	524	879	204			1,609
Net Book Value							
At 31 March 2023	5,561	521	1,457	1,430	0	143	9,112
At 31 March 2024	5,715	580	1,895	1,366	0	65	9,621
<i>The opening balances on the Cost or Valuation on Land and Buildings was amended to reflect write-downs in prior years. This has also been adjusted for in the opening balance of the Capital Adjustment Account.</i>							

Asset Valuations as at 31 March 2025

Brecon Beacons National Park Authority's freehold and long leasehold properties were last valued on 31st March 2024 by External Valuers, Chris Hyde MSc MRICS FAAV and Elizabeth Hill BSc MRICS of Cooke & Arkwright Chartered Surveyors. The valuations were in accordance with the requirement of the RICS Valuation – Global Standards 2017 (The Red Book) and the International Valuation Standards 2017 (IVS) and the RICS Valuation, Global Standards 2017 – UK national supplement. The valuation of each property was on the bases and assumptions:

- For Owner Occupied non specialist property plant and equipment: Valued to Existing Use Value assuming that the property would continue in existing use.
- For Owner Occupied specialist property, plant and equipment: Valued to Existing Use Value using Depreciated Replacement Cost assuming that the properties would continue in existing use or
- For investment Properties: Valued to Fair Value assuming that the properties would be sold subject to any existing leases

Gross Value as at last valuation	Land and Buildings	Vehicles, Furniture, Plant and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets under Construction	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Carried at historic cost		1,171	3,288	1,570		22	6,051
Valued at fair value as at 31 March 2025	5,994						5,994
TOTAL	5,994	1,171	3,288	1,570		22	12,045

See also Note 4 in relation to uncertainty affecting asset values.

Depreciation: All assets except land are depreciated, in line with the Authority's Statement of Accounting Policies.

Capital Commitments: As at 31 March 2025 the Authority had £377,084 (£114,000 at 31 March 2024) of capital commitments.

Right of Use Assets

Following the adoption of IFRS 16 for the 2024/25 financial year the Authority had two operating leases, the Head Quarters and Ffrwdgrech Depot, which were considered to fall under the standard as Right of Use assets and are summarised below:

	Balance 1 April 2024	Additions	Reclassifications	Disposals	In year Depreciation	Balance 31 March 2025
	£000	£000	£000	£000	£000	£000
Cost	133	0	0	0	0	133
Depreciation	0	0	0	0	-52	-52
Net	133	0	0	0	-52	81

The weighted average of the incremental borrowing rates used to discount liabilities was 5.48%. The newly recognised lease liability of £133k compares with the operating lease commitments of £27k at 31 March 2024 disclosed in the notes to the 23-24 financial statements.

NOTE 15: Intangible Assets

	2024/25 £000	2023/24 £000
Balance at start of year		
Gross Carrying amounts	71	71
Less carrying amount of de-recognised asset		
Balance at start of year	71	71
Accumulated amortisation	46	40
Less Accumulated amortisation on de-recognised asset		
Net Amortisation at start of year	46	40
Net carrying amount at start of year	25	31
Additions – Purchases		
Intangible Assets under construction transferred to Intangible Assets		
Amortisation for the period	(6)	(6)
Net carrying amount at end of year	19	25

NOTE 16: Impairment Losses

The CIPFA Code of Practice requires the Authority to disclose any impairment losses or reversals charged to the Surplus or Deficit on the Provision of services and to Other Comprehensive Income and Expenditure. These disclosures are consolidated in Notes 14 and 15, reconciling the movement in the year in the Property, Plant and Equipment and Intangible Asset balances.

There were no impairments identified during 2024/25 (none in 2023/24). Land and Buildings were revalued as at 31 March 2024 and their asset lives reassessed. Any changes to asset lives have been taken into account when calculating depreciation.

NOTE 17: Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. If capital expenditure were to be financed in future years by charges to revenue as assets were used by the Authority, the expenditure would require a calculation of the Capital Financing Requirement. As the Authority is currently debt-free, this calculation is not required.

	2024/25 £000	2023/24 £000
Opening capital financing requirement	-	-
Capital investment		
Expenditure on capital assets		
Property, Plant and Equipment	952	1,223
Assets under construction	22	
Right of Use Assets	133	-
	1,107	1,223
Less: Sources of finance		
Transfer from Capital Grants Unapplied Account	-	(173)
Government grants and other contributions applied	(974)	(996)
Capital Receipts applied	-	(54)
Legacy Funds	-	-
Revenue contributions	(133)	-
Closing Capital Financing Requirement	0	0

NOTE 18: Inventories

	2024/25 £000	2023/24 £000
Opening Inventories	58	70
Purchases	90	95
Stock Write Adjustments	2	(1)
Recognised as an expense in the year	(94)	(106)
Closing Inventories	56	58

NOTE 19: Short-Term Debtors

	31 March 2025 £000	31 March 2024 £000
Debtors falling due in less than one year		
Central Government Bodies	940	1,306
Other Local Authorities	428	146
Other	190	204
Total Short-Term Debtors	1,558	1,656

NOTE 20: Cash and Cash Equivalents

	31 March 2025 £000	31 March 2024 £000
Cash held by the Authority	2	2
Bank Current Accounts	6,038	5,043
Total	6,040	5,045

NOTE 21: Creditors:**falling due in less than one year**

	31 March 2025 £000	31 March 2024 £000
Central Government Bodies	3,390	2,692
Local Authorities	119	101
Other Entities and Individuals	1,181	998
Total	4,690	3,792

falling due in more than one year

	31 March 2025 £000	31 March 2024 £000
Other Entities and Individuals	20	0
Total	20	0

NOTE 22: Cash Flow Statement: Operating Activities

	2024/25 £000	2023/24 £000
Adjustment for non-cash movements	(394)	(663)
Increase/(decrease) in Inventories	1	(13)
Increase/(decrease) in Short Term Debtors	423	(177)
(Increase)/decrease in Short Term Creditors	(1,063)	(1,083)
(Increase)/decrease in Long Term Creditors	(20)	0
(Increase)/decrease in Provisions	0	0
Movement in Pension Liability	0	(57)
Capital Grants included in the CIES	972	996
Other non-cash movements	0	1
Adjustments to net surplus or deficit on the provision of services for non-cash movements	(81)	997

NOTE 23: Cash Flow Statement - Investing Activities

	2024/25 £000	2023/24 £000
Purchase of property, plant and equipment and intangible assets	352	1,223
Proceeds from the sale of property, plant and equipment and intangible assets	(31)	0
Other receipts from investing activities (Capital Grants)	(701)	(2,153)
Purchase of Right of use Assets	57	0
Net cash flows from investing activities	(323)	(930)

NOTE 24: Cash Flow Statement - Financing Activities

	2024/25 £000	2023/24 £000
Purchase of Right of use Assets	6	0
Net cash flows from Financing activities	6	0

Following the adoption of IFRS 16 for the 2024/25 financial year the Authority had two operating leases, the Head Quarters and Ffrwdgrech Depot, which were considered to fall under the standard as the Right of Use assets. The financing costs associated with these leases are calculated to be £5k for the financial year.

NOTE 25: Members' Allowances

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

	2024/25 £000	2023/24 £000
Allowances	123	104
Expenses	1	1
Total	124	105

There was an underpayment of £8k in Members Allowances for the year 2023/24 which was paid in the 2024/25 financial year.

NOTE 26: Officers' Remuneration and termination benefits

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

2024/25	Salary	Taxable Expenses	Employer's Pension	Total
	£000	£000	£000	£000
Chief Executive	92	0	18	110
Director of Nature Recovery and Climate Change	74	0	15	89
Director of Planning & Place	73	0	15	88
Chief Legal Officer*	50	0	10	60
Chief Finance Officer	65	0	13	78

2023/24	Salary	Taxable Expenses	Employer's Pension	Total
	£000	£000	£000	£000
Chief Executive	90	0	18	108
Director of Nature Recovery and Climate Change	72	0	15	87
Director of Planning & Place	71	0	14	85
Chief Legal Officer	67	0	14	81
Chief Finance Officer	26		5	31

There were five senior employees receiving remuneration of more than £60,000 per annum in 2023/24 (five in 2023/24). The Chief Legal Officer left employment with the Authority on 25th November 2024.

The annual salary of the Chief Executive as a multiple of the median salary of an Authority employee of £34,314 is 2.67, (2.86 in 2023/24 of the median salary of £31,364).

Termination Benefits

In 2024/25 the Authority did not pay any termination benefits as there were no redundancies, nor in 2023/24.

NOTE 27: External Audit Costs

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

Fees payable to Audit Wales, external auditors:	2024/25 £000 (expected)	2023/24 £000 (expected)
Financial Audit	41	48
Performance Audit	24	23
Total	65	71

NOTE 28: Related Parties

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. This includes any significant pecuniary interests and the need for members/senior officers to make any relevant declarations re their close family. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Central Government

The Welsh Government has effective control over the general operations of the Authority providing most of its funding in the form of grants and by determining the total Levy which the Authority may make on its Constituent Local Authorities. It also sets objectives for the Authority by means of the Memorandum of Understanding and the annual Strategic Grant Letter. The Authority's operations and management are also controlled by a statutory framework encompassing a range of legislation which includes a definition of its statutory purposes and duty. Government grant receipts in the years to 31 March 2024 and 2025 are included in Note 9.

Members

The 18 Members of the Authority have direct control over the Authority's financial and operating policies. The total of members' allowances paid in 2023/24 and in 2024/25 is shown in Note 25. Where members are personally affected by decisions made by the Authority, they are required to declare an interest and refrain from taking part in those decisions and discussions relating to them. Details of members' interests are recorded in the Register of Members' Interests, available on the Authority's website, together with further details of expenses if paid to Members for the year. No material transactions between the Authority and parties where Members were in a position of joint control or influence, other than those referred to elsewhere in this note, were identified.

Other Public Bodies

The Constituent Local Authorities, within whose boundaries the Authority's own boundary runs, contribute to the finances of the Authority by means of a statutory levy, determined by the Welsh Government. Each of these authorities provides a number of Councillors to serve as members of the National Park Authority, broadly in proportion to the size of the levy they contribute and their area within the National Park. Grants for specific purposes are also received from or via local authorities and the total of these is shown in Note 9.

Senior Management

The Chief Executive and senior management of the Authority are in a position to influence the Authority's policies and allocation of its resources. Payments to senior officers with a remuneration of greater than £60,000 per annum are identified in Note 26. All staff are required to declare gifts and hospitality received.

Entities Controlled or Significantly Influenced by the Authority

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

The Authority paid Beacons Water Group a total of £5,000 during 2024/25 for work on the Usk Catchment Project; two members of staff have relatives who are directors of Beacons Water Group. £2,576 was paid to R.J. Roderick who a relative of a staff member. A payment of £20,419 was made during the year to Stump up for Trees, a trustee of this organisation is related to a member of staff. The Chief Executive is a Board Member of National Parks Partnership with which the Authority had expenditure of £10,000 and income of £60,000, which was treated as a receipt in advance, and income of £5,000 as income in the year. The Director of Planning and Place is a Board Member of the Canal and River Trust, the Authority spent £2,037 with the Trust in 2024/25. £4,541 was paid to Brecon & District Mind, a member of staff was Trustee / Board Director of this organisation. Other 3rd party payments in relation to Members of the Authority during the year were: Llanigon Village Hall - £5,000, Friends of Hay Swimming Pool - £2,043, Gilwern Community Hall - £5,000, Bryn Bolgoed Farm - £2,646 and Talgarth FC - £5,016. The Authority's Section 151 Officer is also the S151 Officer at Pembrokeshire Coast National Park Authority. The Authorities exchange several services between themselves, but the Section 151 Officer is not directly involved in these arrangements.

NOTE 29: Leases

Right of Use Assets: After the adoption of IFRS 16 for 2024/25 the Authority currently has following financial leases obligations:

Total Commitments Under Right of Use Assets	31 March 2025 £000		31 March 2024 £000	
Payments within 1 year				
Buildings	62		0	
Vehicles	0		0	
Total		62		0
Payments 2-5 years				
Buildings	17		0	
Vehicles	0		0	
Total		17		0
Payments after 5 years		0		0
Total Commitments		79		0

Operating Leases: After the adoption of IFRS 16 for 2024/25 the Authority currently has following operating leases obligations:

Total Commitments Under Operating Leases	31 March 2025 £000		31 March 2024 £000	
Payments within 1 year				
Buildings	0		22	
Vehicles	3		19	
Total		3		41
Payments 2-5 years				
Buildings	0		5	
Vehicles	0		4	
Total		0		9
Payments after 5 years		0		0
Total Commitments		3		50

The Authority as Lessor

Finance Leases: The Authority does not lease out property under terms which would be classified as finance leases under the terms of the current CIPFA Code of Practice. (Nor in 2023/24)

Operating Leases: The Authority leases out parts of its premises at the Craig y Nos Country Park and the National Park Visitor Centre to catering providers and small businesses. The minimum amount receivable from the first group of tenants is estimated

to be £20,000 within 1 year. Several small businesses currently lease premises at Craig y Nos Country Park on a rolling monthly basis.

NOTE 30: Defined Benefit Pension Schemes

Introduction

As part of the terms and conditions of employment of its officers, the Authority makes contributions towards the cost of post-employment benefits. Although these benefits will not be payable until employees retire, the Authority has a commitment to make the payments that must be disclosed at the time when employees earn their future entitlement. In accordance with International Accounting Standards, disclosure of certain information concerning assets, liabilities, income and expenditure relating to pension schemes is required in relation to future amounts.

The disclosures that follow relate to the funded liabilities within the Powys County Council Pension Fund ("the Fund") which is part of the Local Government Pension Scheme (the "LGPS"). The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a career average revalued earnings scheme. Details of the benefits to be paid for the period covered by this disclosure are set out in the LGPS Regulations 2013 and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.

Unfunded pension arrangements arise from termination benefits paid on a discretionary basis upon early retirement in respect of a member of the LGPS. Brecon Beacons National Park Authority recognises gains and losses in full, immediately through Other Comprehensive Income and Expenditure. The date of the last full actuarial valuation of the employer's LGPS unfunded benefits was 31st March 2022. There is no further liability in relation to unfunded benefits as of 2024/25 and no disclosure is made in relation to unfunded benefits in the year of account.

Funding and Governance Arrangements of the LGPS

The funded nature of the LGPS requires Brecon Beacons National Park Authority and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The last actuarial valuation was 31 March 2022 and the contributions to be paid until 31 March 2026 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate. To calculate the level of contributions required to meet its share of the Fund's liabilities and to obtain the disclosures and calculations required to complete the annual Statement of Accounts, the Authority uses the services of a qualified actuary: AON Solutions UK Limited. The Fund Administering Authority, Powys County Council is responsible for the management of the Fund.

Key Assumptions

	31 March 2025 (% per annum)	31 March 2024 (% per annum)
Discount rate	5.8	4.8
CPI Inflation	2.5	2.6
Pension Increases	2.5	2.6
Pension Accounts revaluation rate	2.5	2.6
Salary increases	4.0	4.1

Mortality assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

Post-retirement mortality (retirement in normal health)	31 March 2025 (years)	31 March 2024 (years)
Males		
Member aged 65 at accounting date	21.9	22.1
Member aged 45 at accounting date	22.5	23.0
Females		
Member aged 65 at accounting date	24.5	24.6
Member aged 45 at accounting date	25.5	25.9

Assets

The assets allocated to the Employer in the fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Administering Authority) is shown in the disclosures split by quoted and unquoted investments.

The Administering Authority may invest in a small proportion of the Fund's investments in the assets of some of the employers participating in the fund if it forms part of their balanced investment strategy.

Asset allocation

	Value at 31/3/2025 %			Value at 31/3/2024
	Quoted	Unquoted	Total	Total
Equities	42.0	7.5	49.5	48.3
Property	5.8	0.0	5.8	5.9
Government Bonds	12.7	0.0	12.7	9.2
Corporate Bonds	0.0	0.0	0.0	0
Multi Asset Credit	7.4	0.0	7.4	7.2
Cash	0.6	0.0	0.6	4.2
Other	18.5	5.5	24.0	25.2
Total	87.0	13.0	100.0	100.0

Reconciliation of funded status to Balance Sheet

	Value as at 31 March 2025 £m	Value as at 31 March 2024 £m
Fair value of assets	29.65	29.15
Present value of funded defined benefit obligation	(24.49)	(28.04)
Cumulative IAS 19 and IFRIC 14 Adjustment	(5.16)	(1.11)
Pension asset/(liability) recognised on the Balance Sheet	0	0

The Pension Fund liabilities decreased from £28.0m as at March 2024 to £24.5m at the end of March 2025 and was due to an increase in the discount rate applied to the liabilities of 1.0%. This together with the increase in asset values from £29.1m to £29.7m, minus the cumulative IAS19 and IFRIC 14 adjustment of £5.16m, has resulted in the overall pension position remaining at a nil balance at the end of the year.

In June 2023, the High Court found in the Virgin Media case that changes to member benefits in contracted out defined benefit pension schemes between 1996 and 2016 required an actuarial certificate in line with section 37 of the Pension Schemes Act 1993 and that changes without this certification are to be considered void. This requirement applies to past service rights and future service rights, and to changes to the detriment or benefit of scheme members. The judgement was appealed in June 2024, but the appeal was dismissed. For the Local Government Pension Scheme, GAD do not believe that there are any absent actuarial confirmations. Therefore, they do not expect any liability changes to arise following this judgement. GAD will confirm that actuarial confirmations are available in due course

The split of the liabilities at the last valuation between the various categories of members is as follows:

Active Members	36%
Deferred Pensioners	26%
Pensioners	38%

Breakdown of amounts recognised in CIES (deficit on the Provision of Services) and Other Comprehensive Income and Expenditure

	Period ending 31 March 2025	Period ending 31 March 2024
	£m	£m
Operating Cost		
Current service cost(1)	0.71	0.69
Financing Cost		
Interest on net defined benefit liability	(0.07)	0.01
Interest on unrecognised Asset	0.05	0.00
Pension expense recognised in the deficit on provision of services	0.69	0.70
Re measurements in Other Comprehensive Income and Expenditure		
Return on plan assets (in excess of)/below that recognised in net interest.	0.94	(1.09)
Actuarial (gains)/losses due to changes in financial assumptions	(4.76)	(0.97)
Actuarial (gains)/losses due to changes in demographic assumptions	(0.21)	0.00
Actuarial (gains)/losses due to changes in liability experience	0.05	0.32
Adjustment loss (gain) due to restrictions of surplus	4.00	1.11

Total Amount Recognised in Other Comprehensive Income and Expenditure (2)	0.02	(0.63)
Total Amount Recognised	0.71	0.07

Changes to the present value of the defined benefit obligation

	Period ending 31 March 2025	Period ending 31 March 2024
	£m	£m
Opening defined benefit obligation	28.04	27.63
Current service cost	0.71	0.69
Interest expense on defined benefit obligation	1.33	1.28
Contributions by participants	0.23	0.21
Actuarial (gains)/losses due to changes in financial assumptions	(4.76)	(0.97)
Actuarial (gains)/losses due to changes in demographic assumptions	(0.21)	0.00
Actuarial (gains)/losses due to liability experience	0.05	0.32
Net benefits paid out	(0.90)	(1.12)
Closing defined benefit obligation	24.49	28.04

Changes to the fair value of assets	Period ending 31 March 2025	Period ending 31 March 2024
	£m	£m
Opening fair value of assets	29.15	27.06
Interest Income on assets	1.4	1.27
Re-measurement gains/(losses) on assets	(0.94)	1.09
Contributions by the employer	0.71	0.64
Contributions by participants	0.23	0.21
Net benefits paid out	(0.90)	(1.12)
Closing fair value of assets	29.65	29.15

Actual return on assets	Period ending 31 March 2025 £m's	Period ending 31 March 2024 £m's
Interest Income on assets	1.40	1.27
Re-measurement gains/(losses) on assets	(0.94)	1.09
Actual return on assets	0.46	2.36

Risks associated with the fund in relation to accounting Asset volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields. If assets underperform, this yield will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which are expected to outperform corporate bonds in the long term, but creates volatility and risk in the short term in relation to the accounting figures.

Changes in bond yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result.

Inflation risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are either unaffected or loosely correlated with inflation meaning that an increase in inflation will increase the deficit.

Life Expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increase in life expectancy will result in an increase in the liabilities.

Exiting employers

An employer who leaves the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment, the liability may in certain circumstances fall on the other employers in the Fund. Further, the assets at exit in respect of 'orphan' liabilities' may in retrospect not be sufficient to meet the liabilities. This risk may also fall on other employers in the Fund. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

Sensitivity Analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation at 31 March 2025 and the projected service cost for the period ending 31 March 2026 is set out below. In each case only the assumption mentioned is altered; all other assumptions remain the same and are summarised in Section 1.

Discount Rate Assumption Adjustment to discount rate	+0.1% p.a.	Base Figure	-0.1% p.a.
Present value of total obligation (£m)	24.12	24.49	24.86
% Change in present value of total obligation	-1.50		1.50
Projected service cost (£m)	0.48	0.50	0.52
Approximate % change in projected service cost	-4.4		4.5
Rate of general Increases in salaries Adjustment to salary increase rate	+0.1% p.a.	Base Figure	-0.1% p.a.
Present value of total obligation (£m)	24.51	24.49	24.47
% Change in present value of total obligation	0.1		-0.1
Projected service cost (£m)	0.50	0.50	0.50
Approximate % change in projected service cost	0.0		0.0
Rate of increase to pensions in payment, deferred pensions assumption and rate of revaluation of pension accounts assumption Adjustment to pension increase rate	-1 year	Base Figure	+ 1 year
Present value of total obligation (£m)	24.83	24.49	24.15
% Change in present value of total obligation	1.4		-1.4
Projected service cost (£m)	0.52	0.50	0.48
Approximate % change in projected service cost	4.5		-4.4
Post retirement mortality assumption Adjustment to mortality age rating assumption*	-1 year	Base Figure	+ 1 year
Present value of total obligation (£m)	25.05	24.49	23.93

% change in present value of total obligation	2.3		-2.3
Projected service cost (£m)	0.52	0.5	0.48
	3.5		-3.6
'* a rating of + 1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them			

Estimated pension expense in future periods	Period ending 31 March 2026 £m's	Period ending 31 March 2027 £m's
Current service cost	0.5	0.52
Interest on net defined benefit liability/(asset)	(0.02)	(0.04)
Total estimated pension expense	0.48	0.48
Allowance for admin expenses included in current service cost	0.05	0.05
Estimated pensionable payroll over the period:	3.72	3.86

Contributions for the period ending 31 March 2026:

The Authority's regular contributions to the Fund for the accounting period to 31st March 2026 are estimated to be £740,000. Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period. The duration of funded liabilities is 15.1 years.

NOTE 31: Nature and Extent of Risks Arising from Financial Instruments

The Authority has no financial instruments of its own, but its activities expose it to three principal financial risks:

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

The Authority, being debt-free and placing its surplus funds, in accordance with its Treasury Management Strategy, in instantly accessible accounts or on short-term deposit, with a bank which has a very high credit rating has minimised its exposure to the risk of failure by another party to repay funds deposited.

The risk of losses from the failure of customers to pay the Authority is minimised through the Authority's debt management procedures. The majority by value of the Authority's

debtors are other public bodies which are considered to have good credit ratings. (See Note 19: Short-Term Debtors).

As the Authority has funds in a mixture of immediately accessible bank accounts, short-term deposits and fixed notice accounts it has some limited exposure to liquidity risk. Interest rates and cash balances are regularly reviewed, and consideration given to placing further funds on deposit should interest rates become more favourable.

The Authority is not exposed to market risk except in relation to its share of the Powys Pension Fund. See Note 30 for further details.

NOTE 32: Contingent Liabilities

There were no contingent liabilities as of the 31st March 2025, nor 31st March 2024.

GLOSSARY OF TERMS

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

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

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

CAPITAL RECEIPTS: Proceeds of not less £10,000 from the sale of fixed assets. They may be used to finance new capital expenditure or repay debt. They cannot be used to finance normal day to day revenue spending.

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

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

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

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

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

OPERATING LEASE: A lease other than a finance lease.

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

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

ABBREVIATIONS:

CIPFA Chartered Institute of Public Finance and Accountancy

LASAAC Local Authority (Scotland) Accounts Advisory Committee

IFRS International Financial Reporting Standard IAS International Accounting Standard

PARC CENEDLAETHOL BANNAU BRYCHEINIOG/BRECON BEACONS NATIONAL PARK AUTHORITY DRAFT ANNUAL GOVERNANCE STATEMENT 2024-25

Executive Summary

Governance Framework

Parc Cenedlaethol Bannau Brycheiniog/Brecon Beacons National Park Authority (BBNPA) is an organisation which aspires to high standards of governance, behaviour and compliance through a partnership of members, officers, stakeholder organisations and individuals as outlined in the [Code of Corporate Governance](#).

The Code of Corporate Governance incorporates the sustainable development principles, and the goals set out in the Well-being of Future Generations (Wales) Act 2015. Accordingly, our decision-making processes will ensure that we keep the following principles at the heart of planning and delivering our work to contribute to the Wellbeing Goals.

Responsibility for a sound system of governance sits with the National Park Authority which comprises 18 members; 12 appointed from the seven constituent Local Authorities (Six from Powys County Council, and one each from Carmarthenshire County Council, Monmouthshire County Council, Rhondda Cynon Taff County Borough Council, Merthyr Tydfil County Borough Council, Blaenau Gwent County Borough Council, and Torfaen County Borough Council) and six appointed by the Welsh Government. In doing this, it commits to the seven principles of good governance defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) in its Delivering Good Governance in Local Government Framework 2016. The Authority has decided to adopt the CIPFA Framework and Annual Governance Statement approach.

Overall opinion on the level of assurance and if fit for purpose

This consists of opinions from internal audit (TIAA), external audit (Audit Wales), and the Authority.

Head of Internal Audit's Annual Opinion

TIAA is satisfied that, for the areas reviewed during the year, Bannau Brycheiniog National Park Authority has adequate and effective risk management and control processes in place. During the year we did not review Governance or Risk Management arrangements and TIAA are therefore unable to provide assurance on Bannau Brycheiniog National Park Authority's controls in those areas.

This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be obtained by Bannau Brycheiniog National Park Authority from its various sources of assurance.

External Audit Conclusions

A letter from Audit Wales on [Progress in delivering Statutory Recommendations](#) was published in February 2025. The letter addresses three core issues:

- Progress in delivering the Audit Wales Action Plan;
- Work to strengthen governance and decision making; and
- Organisational capacity and resilience to deliver improvement.

Their letter to the Chair and Chief Executive summarises their view:

"In conclusion, we believe insufficient progress has been made to provide assurance that the Authority will address the Auditor General's statutory recommendations. The lack of progress and concerns raised pose a significant risk that the Authority does not have proper arrangements in place to secure value for money in its use of resources. We have decided not to make additional recommendations at this stage, but we would expect to see additional action taken to address the Auditor General's statutory recommendations as a matter of urgency.

The Audit Wales 2024 Annual Audit Summary can be found using the link below.

[Bannau Brycheiniog National Park Authority – Annual Audit Summary 2024 | Audit Wales](#)

The Authority's Opinion

We acknowledge that the Authority continues to face some significant risks that must be addressed to ensure sustained improvement and to deliver our Management Plan objectives. The two key challenges are: financial sustainability and organisational capacity. While the Authority holds has historically held comparatively high usable reserves, tdue to rising inflation, ongoing budget pressures, the National Park Grant settlement from Welsh Government Isn't sufficient to cover the Authority's operational revenue budget.

Organisational capacity remains stretched, as the Authority seeks to implement a programme of transformation and build the capacity needed to deliver its strategic objectives and become a mission led organisation. However, we are in a stronger position than we have been, with strong leadership and effective collaboration between Members and Officers in place, and a clear commitment to addressing these challenges. The Annual Plan highlights the importance of this year in developing the capacity needed to fully realise the ambitions of the National Park Management Plan. In March 2025, Members approved a shift to a three-year Corporate Plan (2025–28) aligned with the Management Plan timeline, signalling a more strategic and integrated approach to planning and delivery.

While resources remain limited and staff continue to operate under pressure, there is a plan and a shared determination across the Authority to broaden income streams, improve processes, and build the resilience needed for long-term sustainability and impact.

The Authority remains determined to lead the delivery of *Dyfodol y Bannau* and to serve our many communities.

Signatures



Gareth Ratcliffe
Chair
Date: 10/12/2025



Catherine Mealing-Jones
Chief Executive
Date: 10/12/2025

Identification of key governance arrangements

There are several key systems, processes and policies within the Authority that provide a body of evidence required to support continuous assessment of the effectiveness of its governance arrangements.

The Authority has identified 24 assurance areas and how they relate to the key principles of Good Governance ([CIPFA](#)).

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

Service managers are required to take overall responsibility for delivering their services in line with the Code of Corporate Governance and are required to provide assurance statements for their areas of responsibility.

Service managers are also responsible for setting the Corporate Oversight Function, which is separate from frontline delivery and provides assurance on:

- *Corporate Process in Place:* the existence and currency of key policies and procedures.
- *Effectiveness:* the effectiveness of key policies and procedures.

	Corporate Process in Place	Effectiveness
	<i>Substantial Assurance:</i> policies and processes have been put in place, cover the requirements of the Code of Corporate Governance and are up to date.	<i>Substantial Assurance:</i> policies and procedures are working effectively across the Authority.
	<i>Reasonable Assurance:</i> policies and processes have been put in place, cover the majority of the requirements of the Code of Corporate Governance.	<i>Reasonable Assurance:</i> there may be some examples of ineffectiveness or lapses of compliance across the Authority, but not significant.

	<i>Limited Assurance:</i> policies and processes may be considered to be insufficiently robust, consistent or up to date.	<i>Limited Assurance:</i> there are significant examples of ineffectiveness or lapses of compliance across the Authority which represent a risk to effectively meeting objectives.
	<i>No Assurance:</i> policies and procedures are absent or significantly lacking.	<i>No Assurance:</i> policies and procedures are ineffective and there is evidence that this has significantly impacted on performance in meeting objectives.

The Authority's Evaluation of the Effectiveness of Governance

Governance Framework

- Principles 6 and 7

The Authority has a [Code of Corporate Governance](#) and a Governance Assurance Framework (approved by Members September 2024), which ensures governance arrangements are reviewed periodically.

An Annual Governance Statement is prepared annually and published the with Statement of Accounts.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Legal Framework

- Principle 1

The Authority has a legal framework ([Standing Orders](#), [Policy & Procedures](#)) which sets out the rules and procedures that are to be followed by Members and Officers. This details how the Authority will utilise its powers to the benefit of the community, whilst observing the requirements of legislation and general responsibilities placed on it.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Shared Values

- Principle 1

Authority values are in place and continue to be embedded throughout the organisation. This can be seen in the new Inform and Inspire sessions, volunteering days for officers being rolled out, and a new PDR process that gives Officers the opportunity to arrange one-to-ones with the senior leadership team.

A [Strategic Equality Plan](#) sets out how statutory duties are met in relation to the Equality Act 2010 and provides a clear starting point to ensure delivery on high standards of service fairly across all sectors of communities, user groups, businesses and visitors. The Authority is committed to promoting diversity, inclusiveness, equality of access and eliminate inequalities in all its work.

The Authority has a Wellbeing Strategy and a Wellbeing Group that meets regularly. An Inform session on this work was delivered to staff in September 2024.

Corporate Processes in Place:

Reasonable

Effectiveness:

Limited

Policy Framework

- Principles 3, 4 and 5

The overarching policy framework for the geographic area of the National Park (the [Management Plan](#)) is in place and will be reviewed 2027/28. An Annual Plan has been produced which seeks to identify key areas the NPA needs to progress in order to underpin delivery of the Management Plan and progress against this is reported to the Finance & Performance Committee quarterly. The Annual Plan identifies the critical nature of this year in developing organisational capacity to fully embody the principles of the Management Plan. In March 2025 Members approved a different approach to setting out business priorities, moving away from an annual planning cycle to a three-year Corporate Plan 2025-28 to match the timeline of the National Park Management Plan.

Whilst the Authority has an extant Local Development Plan, it was adopted in December 2013 and covers a period to 2022. Strategic spatial plans are now the remit of CJs however these are slow to materialise. Only by moving ahead with the development of a Local Development Plan can BBNPA ensure a spatial development plan for the whole National Park area. This is likely to be the most effective mitigation. However, this will take significant resourcing in terms of time and money. Further mitigation can also be provided by place planning approaches more locally and a place planning toolkit is being piloted and developed to this end. Following Cabinet Secretary agreement to cease work on the current Delivery Agreement for LDP2, officers have developed an internal steering group to advise Executive Board and Chairs Committee on progress towards a new Delivery Agreement. In March 2025, Members resolved to consult on a draft Delivery Agreement with key stakeholders prior to finalising with Welsh Government and have made some budgetary commitment for progressing preparation of the Plan from September 2025.

Corporate Processes in Place:

Substantial

Effectiveness:

Substantial

Decision Making, Delegation of Duties, Roles and Responsibilities

- Principles 1, 6 and 7

[All agendas, reports and minutes are published online](#) to evidence and record decisions made in connection with the discharge of its functions and publish those appropriately.

The Authority is clear about the roles and responsibility of Members to plan, run, monitor and develop Authority business, and Officers to effectively deliver services and optimise the use of the full powers available for the benefit of the Park, citizens, communities and other stakeholders.

The Authority has a [Scheme of Delegation](#) (reviewed and updated November 2024).

A new Operating Model was approved by Members 1 December 2023. The Model sets out at a strategic level how information and decision-making flows work from the National Park Authority to Committees and to Officers and back again. It is an important document in supporting understanding of BBNPA's governance arrangements.

Statutory roles of Head of Paid Service (CEO), Section 151 Officer and Monitoring Officer are all in place. Changes were made to the model of service delivery for the Monitoring Officer / Data Protection Officer role in year (they are now contracted out) and these arrangements are understood within the organisation.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Internal Audit, Audit & Risk Committee and Member Scrutiny

- Principles 6 and 7

This work is undertaken via a contract with TIAA. The terms of reference for internal audit require that work is conducted in accordance with standards as set out in the CIPFA Code of Practice for Internal Audit in Local Government. TIAA provide an audit opinion which is reported to the Authority.

The Authority has an [Audit and Risk Committee](#), which operates in compliance with CIPFA guidance.

[Standing Orders](#) are in place ensure constructive challenge and debate on policies, performance and decision making. These have been reviewed and updated and are scheduled to be approved by Members in May 2025.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Conduct

- Principle 1

The Authority has adopted the National Model Code of Conduct. Officers and members behave in line with the [Code of Conduct](#) and lead a culture of acting in the public interest.

The Authority has a [Local Resolution Policy](#) and there were no instances during 2023-24 where this procedure was invoked.

The [Standards Committee](#) is tasked with promoting high standards of conduct by Members and Officers. It does this by advising on and promoting awareness and understanding of the Code of Conduct for Members and Officers, both of which have been adopted by the Authority. The Standards Committee met once during the year (March 2024). No cases were brought to the Committee during the year. The Committee has a statutory duty to prepare an annual report to the Authority, which went to the Authority AGM in July 2024. An Independent Chair of the Standards Committee is in place and a third new Independent Member scheduled to be appointed in May 2025 following an open recruitment process.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Declarations of Interest, Gifts & Hospitality

- Principle 1

The Authority maintains an Annual Register of Interests for both Members and Officers, and Members Declarations are also where appropriate made at committee meetings and are logged through an automated form. Annual reminders are sent to Members and Officers.

The Authority maintains registers of gifts and hospitality for Members and Officers to ensure that appropriate safeguards are in place.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Member & Officer Induction, Training & Development

- Principle 5

Members and Officers receive induction training to assist them in effectively executing their duties.

Key staff are members of relevant professional bodies and are able to access personal and professional support and CPD to facilitate their work and help maintain professional standards.

A new Personal Development Review process has been designed through consultation with the Wellbeing Group and the first round of reviews took place throughout the last quarter of 2024.

Member engagement days were held throughout the year:

- 14 May – Planning site visit training
- 20 June – Effective Financial Governance training
- 31 July – Tourism Strategy development and Communications guidance
- 6 November – National Parks Wales Member Seminar
- 26 November – Governance of Risk training
- 28 November – Chairs training
- 16 January – Fraud and Cyber Security training
- 14 February – Strategic Issues 2025 development and Engagement session
- 18 March – Sustainable Governance training
- 21 March – 2025/26 Budget session
- 25 March – Planning Heritage training

[Member attendance](#) is recorded and published, alongside remuneration, annually. Average attendance was for the year was 79%.

Corporate Processes in Place:

Reasonable

Effectiveness:

Reasonable

Risk Management

- Principle 6

The corporate Risk Register and Legal Risk Register are reported to the [Audit & Risk Committee](#) quarterly.

A new Risk Framework was approved by Members (26 February 2024). The three documents that make up the framework are:

- *Risk Management Policy: explains why risk management is important and provides a commitment to driving and maturing risk management through the Authority.*
- *Risk Management Framework: sets out how the principles and best practice must be applied by all staff for effective risk management to enable informed decision making.*
- *Risk Appetite Statement: provides parameters of what level of risk the organisation is willing to operate within in pursuit of its objectives.*

Risk is reported quarterly to the Audit & Risk Committee and these reports are compiled through consultation set out in the Operating Model. While the processes in place are substantial, there is still no dedicated Officer in place to shepherd this work and as such the effectiveness is considered reasonable.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Performance Management

- Principles 2, 3, 4 and 7

Officers provide a report on progress with the Annual Plan to each meeting of the Finance and Performance Committee, but at present this is not integrated with financial reporting. Additionally, some project finance and progress information are also reported on an ad hoc basis.

There is no dedicated post responsible for the system of performance management and processes are weak. There are clear examples where performance has been affected as a result and the Authority is working to address this.

Corporate Processes in Place:

Limited

Effectiveness:

Limited

Counter Fraud and Corruption Arrangements

- Principle 6

The Authority considers Counter fraud as a high priority and endeavours through various arrangements embedded across the organisation, including segregation of duties, to minimise the likelihood of occurrence.

Counter Fraud and Corruption training was delivered by Barclays for both Officers and Members in January 2025.

Corporate Processes in Place

Reasonable

Effectiveness

Reasonable

Whistleblowing Arrangements

- Principles 1 and 6

A revised Whistleblowing Policy was taken to Members (for information) in April 2024 and an audit on Whistleblowing arrangements was conducted by internal auditors in August 2024. The overall assessment of arrangements was rated as reasonable.

Corporate Processes in Place:

Reasonable

Effectiveness:

Reasonable

ICT Infrastructure and Strategy

- Principles 6 and 7

Strategies and policies relating to ICT infrastructure are in place (*Technology & Digital Strategy 2021-26, IT User Policy and Mobile Phones Policy*).

Corporate Processes in Place:

Substantial

Effectiveness:

Limited

Effective Information Governance

- Principle 6

The Authority ensures that effective information governance arrangements are embedded across the organisation and is committed to investigating suspected or identified breaches.

A [Data Protection Policy](#) is in place and there is a designated Data Protection Officer.

Corporate Processes in Place:

Reasonable

Effectiveness:

Reasonable

Access to Information

- Principles 2 and 7

The Authority ensures transparency by providing appropriate and legal access to information. A [Publication Scheme](#) is available online and is due to be reviewed. There is a [Privacy Statement for Planning Services](#) available online.

As at the end of March 2025 the Authority received **38** FOI requests. Of those, **19** were responded to within the statutory timeframe.

Corporate Processes in Place:

Reasonable

Effectiveness:

Reasonable

Financial Management

- Principles 4 and 6

The Authority regularly reviews and updates its Financial Standards and Contract Standing Orders, the purpose of which is to provide a financial and procurement framework within which the Authority can operate. These will assist the Authority in ensuring that:

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

The Audited Statement of Accounts for 2023-24 were approved, and the 2023-24 Audit Wales ISA 260 report received, by members (in February 2025).

Budget for 2025-26 was approved by Members (in March 2025) and quarterly reports are taken to the Finance and Performance Committee.

All decisions are taken in the public domain (except those deemed to be exempt under the Local Government Act 1972).

The S151 Officer continues to make good progress on overhauling financial procedures and protocols, as well as developing the Finance team.

Corporate Processes in Place

Reasonable

Effectiveness

Reasonable

Partnership Working, Consultation and Stakeholder Engagement

- Principle 7

The Authority consulted widely on the development of the National Park Management Plan. This process and the Authority's response to it is outlined on its [website](#).

In March 2025 the NPA signed off the creation of a stakeholder Fforwm y Bannau as a key corporate priority recognising a shift to greater external focus and partnership working.

Since the publication of *Dyfodol Y Bannau* BBNPA has continued to develop partnership working arrangements to support delivery of the Plan. The Authority has engaged with a range of stakeholders including inter alia [farming allies](#) continuing to meet and work with the Brecon Beacons Park Society and through a range of partnerships. For example the [Historic Environment Partnership](#).

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

- BBNPA works across the National Park and designated landscape families as part of National Parks Wales, National Parks UK, the National Parks Partnership and with Landscapes Wales.
- The Authority chairs a partnership Dark Skies Board to support the status as an international dark sky reserve and to secure the benefits of darkness for the park area.
- The Authority engages closely with the tourism business community and runs an ambassador scheme and events to support these relationships and their role in delivery of the National Park Management Plan.

A community involvement strategy is available and will be updated for the Replacement Local Development Plan. Stakeholder mapping has been developed around the missions of the National Park Management Plan and an engagement strategy will be developed. A new Destination Management Officer started in post February 2024 and progress on this work is being made.

The Authority has a [Public Speaking Scheme](#) in place and all Committee meetings are webcast and available to watch [online](#).

Corporate Processes in Place:

Reasonable

Effectiveness:

Reasonable

Asset Management

- Principles 4 and 6

The Authority's approach is still maturing to ensure all assets are compliant, sustainable, fit for purpose and support the delivery of Authority services and strategic objectives. Although there is an Asset Management Working Group who meet ad hoc, assurances remain limited as a result of there being no dedicated Officer in place to shepherd this work.

Corporate Processes in Place:

Reasonable

Effectiveness:

Limited

Comments, Compliments and Complaints

- Principles 1, 2, 6 and 7

The Authority recognises feedback as a valuable resource for improving the experiences of citizens and users and shaping the design and delivery of services for the future.

Comments and Compliments are reported quarterly to the Audit and Risk Committee. As at the end of March 2025, the Authority received **22** complaints. Of these, **2** were upheld and **0** were Ombudsman complaints.

A revised Complaints & Concerns Policy and was taken to Members (for information) in September 2024. The policy was revised to reflect the new procedure for providing information on how to make a complaint or provide positive feedback to the Authority. An Unreasonable Behaviour Policy was also presented (for information) to Members in October 2024.

Corporate Processes in Place:

Reasonable

Effectiveness:

Reasonable

Programme and Project Management

- Principles 4 and 5

As part of the Operating Model, the Executive Board meets alternately as a Programme Board and the approach to programme management is in place, and two new Project Officers have been appointed. The approach of having a small team of agile Project Managers/Officers in place to work flexibly across all projects is what the Authority is working towards – unlike the current approach, where Officers are hired and funded for specific Projects, which results in high staff turnover and job insecurity. A portfolio approach is in development.

Corporate Processes in
Place:

Reasonable

Effectiveness:

Reasonable



Health & Safety

- Principle 6

A new Health & Safety Management System, T100, was implemented during the year and training on the system was provided by Thomas Carroll. Through the implementation of this new system considerable progress has been made on reviewing and updating policies and procedures and a hierarchy of responsibilities and reporting routes has also been developed.

A Health & Safety Working Group meets regularly and under the new Operating Model, reports updates to both Managers Forum and Corporate Services Group and ensures any incidents or near misses are understood and that lessons are learned and implemented.

A Risk Assessment training day was delivered to Officers in Q3 by Thomas Carroll as part of efforts to rejuvenate internal policies and procedures.

Corporate Processes in Place:

Substantial

Effectiveness:

Reasonable

Procurement

- Principles 6 and 7

The Authority will ensure that effective procurement arrangements are embedded to enable it to demonstrate good practice, compliance with legislation, realise value for money and public accountability. Revised Contract Standing Orders are scheduled to be approved May 2025.

Corporate Processes in Place

Reasonable

Effectiveness

Reasonable

Workforce Planning and Strategy

- Principles 4 & 5

Executive Board have been leading a process of organisational development, to ensure an adequate supply of people with skills, knowledge and experience required to achieve the Authority's strategic objectives efficiently and effectively are in place. Work to procure consultants and an HR System to further progress this is underway.

Good progress has been made on Mission Mapping to support the Authority in becoming a Mission led organisation.

Resources and capacity are recognised significant issues and a Request to Fill process is helping to mitigate this risk. The Authority has engaged staff in embedding wellbeing at the heart of workforce engagement and development and held a wellbeing event open to all staff in June 2024.

Corporate Processes in Place:

Reasonable

Effectiveness:

Reasonable

Conclusion

The Authority recognises the challenges as set out above and is putting in place plans to deal with the more significant governance risks. Overall, we can take reasonable assurance on governance arrangements notwithstanding there is more to do to embed the improvements that are being progressed.

The Authority is committed to monitoring its governance framework through the development and adoption of a Governance Assurance Framework. It will actively manage and monitor the implementation of improvements following identification of the significant governance issues highlighted above and report back on these in the Annual Governance Statement for 2025-26.



Accountability & Action Plans to address significant governance issues

Report on actions taken in 2023-24 to address significant governance issues from previous year

Issue	Action	Status
Governance & Assurance	<p>Adopt and embed a Governance Assurance Framework.</p> <p>Develop a Reporting System.</p> <p>Implement Operational Structure.</p>	<p>Ongoing – the Governance Assurance Framework has been formally adopted by Members, but more work needs to be done in embedding this.</p> <p>Outstanding – as there is no dedicated officer in place to progress this work it is difficult to predict when this will be completed.</p> <p>Ongoing – Operating Model and Operating Model Charter both approved and adopted. Further work required to fully embed.</p>
Organisational Development	<p>Deliver Organisational Development Plan.</p> <p>Develop Standard Operating Procedures.</p> <p>Develop mechanism for improving internal communications and corporate learning.</p> <p>Deliver training on Scheme of Delegation to Officers to aid better understanding of duties (<i>carried over from previous action plan</i>)</p>	<p>Ongoing – Operating Model in place, however the people part of this plan is still outstanding. Work to procure consultants to support this work is underway.</p> <p>Actioned – Standard Operating procedures have been developed at a Team level throughout the organisation.</p> <p>Actioned – All Staff briefing sessions are delivered regularly by the CEO and an internal newsletter is sent out weekly.</p> <p>Actioned – Scheme of Delegation reviewed, amended and approved by Members (November 2024)</p>
Recommendations from Audit of Accounts 2021-22	<p>Fixed Asset Register is updated appropriately.</p> <p>Annual Related Party Declarations completed.</p>	<p>Actioned.</p> <p>Actioned.</p> <p>Actioned. – provided by Barclays and scheduled to take place annually.</p>

	Regular Fraud training provided for Officers. Condensed Annual Governance Statement.	Ongoing
Member Engagement	Adopt and embed Member Charter. Members to support Officer capacity constraints through better engagement and taking on Ambassador roles with stakeholders. Support the embedding of the Operational Model to ensure effective governance and decision-making.	Actioned. – Operating Model Charter adopted by Members Ongoing - Members were assigned to external stakeholder roles at AGM. Actioned – Members were part of a Working Group to help develop an Operating Model Charter.

Action plan to address significant governance issues in 2025-26

Issue	Action 2025-26	Responsible
Workforce Planning	To procure HR System	H.R. Manager
Info Governance	To appoint a DPO Officer	Chief Executive
Asset Management	To review asset management policies and procedures	Director of Planning & Place
Legal Framework	To Review of Disciplinary policies	H.R. Manager