



# Draft Accounting Policies 2021/22

## Agenda Item 8

### National Park Authority Audit and Risk Committee

Tuesday 22<sup>nd</sup> June 2021

Paper for noting

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### 1. Purpose

1.1. To present the proposed draft accounting policies which form part of the Annual Accounts under the Terms of Reference of the Audit and Risk Committee. The draft accounting policies are attached at **Appendix 1**.

### 2. Recommendation(s)

2.1. Members are requested to note the accounting policies which form part of the 2020/21 Annual Accounts (notes to the accounts). The Annual Accounts will be reviewed and audited by the Authority's external auditors, Grant Thornton and presented at the September Audit & Risk Committee.

2.2. The final wording may change as part of the statutory account process and external audit review. Any significant changes will be highlighted to the Audit & Risk Committee members.

### 3. Changes from 2019/20 Accounting Policies

3.1. The main changes in the 2020/21 draft Accounting Policies are as follows:

3.1.1. Note 1.4 Investments – expanded to reference recognition, de-recognition and measurement in line with IFRS9 and Grant Thornton feedback from 2019/20.

3.1.2. Note 1.9 Income and Note 1.10 Expenditure – Income note expanded to include more details around income recognition and IFRS15 in line with Grant Thornton feedback from 2019/20. Note previously included both income and expenditure. Income and expenditure disclosed separately in 2020/21.

3.1.3. Note 1.21 Critical Judgements and Estimates

- Valuation of Land and Buildings - Note updated to explain full revaluation of property portfolio at 31 March 2021 following material valuation uncertainty at 31 March 2020. Disclosure and explanation of continuing material valuation uncertainty at 31 March 2021, with recommendation by the valuer for revaluation within 12 months. Update of sensitivity analysis for variance in revaluation of land and buildings.
- Pension Valuations – Note updated to reflect formal triennial valuation at 31 March 2020 and inclusion of impact of recent court cases in pension valuation at 31 March 2021.

3.1.4. Notes 1.7 Leases and 1.22 Changes in Accounting Standards – Notes updated to reflect delayed implementation date of IFRS 16 to year ended 31 March 2023

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