

COTSWOLDS CONSERVATION BOARD

STATEMENT OF ACCOUNTS

2013/2014

Approved by the Board 26 June 2014

AUDITED

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Explanatory Foreword

The Cotswolds Conservation Board was established as a result of the Countryside and Rights of Way Act 2000. The Board's Establishment Order (SI 1777/2004) was agreed by Parliament in July 2004. The Board's statutory purposes are to conserve and enhance the natural beauty of the Cotswolds Area of Outstanding Natural Beauty (AONB), and to increase the understanding and enjoyment by the public of the special qualities of the AONB. In fulfilling these purposes the Board seeks to foster the economic and social well-being of people living in the AONB.

In March 2013, following extensive consultation with its partners, the Board adopted a revised Cotswolds AONB Management Plan 2013–2018 which articulates the Board's vision, objectives and policies for the future management of the AONB.

The Board's Business Plan sets out a wide ranging programme of activity associated with the delivery of its purposes. The Board operates to a budget based on the agreed grant aid from the Department of Environment, Farming and Rural Affairs, Natural England and local authorities. Additionally, the Board either takes the lead role or actively participates in a range of partnership schemes to secure external funding for additional project work.

In July 2013, The Friends of the Cotswolds, a registered charity, purchased The Old Prison, Northleach, where the Board has its offices (see Note 3 to the Accounts). The Board has entered into an Agency Operational Agreement with the Friends to manage the whole site including the visitor attractions and a café which opened in November. The long-term agreement provides for the Board to recover set-up costs from future profits. There are also ongoing arrangements for profit sharing.

This Statement of Accounts records the Board's activities for the period 1 April 2013 to 31 March 2014. The Accounts and Audit Regulations 2011 reduced the reporting requirements for smaller relevant bodies i.e. those with a gross income or expenditure below £6.5 million. The Board has continued to prepare its accounts in the same format as in previous years to enable consistency and comparability, pending revised guidance on proper practice now expected from the Joint Practitioners Advisory Group in the summer of 2014. The Statements included in these accounts are:

Income and Expenditure Account (Page 8): This shows the costs of providing services across the various activities and projects that the Board has supported during the year and how these projects were supported from grants and income. Gross revenue expenditure for the year was £1,001,243 (2012/13 £1,010,747), and income was £895,716 (2012/13 £925,447). Taken together, these items show a net deficit for the year of £105,527 (2012/13 £85,300), mainly as a result of the Board spending the balance of National Grid Pipeline grant received in previous years and financing the opening of a café as part of the development of The Old Prison.

Statement of Movement on General Fund Balance (Page 9): A net reduction of £69,498 (2012/13 £109,407) was made to earmarked reserves, the general reserve increased by £14,384 (2012/13 £24,034) and an accumulated deficit included in respect of the Agency Operational Agreement of £50,413 (2012/13 Nil).

Balance Sheet (Page 10): This details the Board's financial position as at 31 March 2014 listing the value of assets and liabilities.

Statement of Movements in Reserves (Page 18): This sets out the movements during the year for the reserves held by the Board.

The Board publishes an Annual Review in July each year describing its activity in the previous year and setting out its performance against its Business Plan. This is available on line at www.cotswoldsaonb.org.uk

Statement of Accounting Policies

The Board is classed as a smaller relevant body for financial reporting purposes. The Board must apply proper practice as set out in the Joint Practitioners Advisory Group's publication: Governance and Accountability for Local Councils – A Practitioners Guide. This guidance is written for local councils specifically and is due to be reviewed by 2014 to take account of changes to the Regulations. The guidance does not apply to the Board in its entirety. Where the guidance does not apply or applies differently, the Board has taken a judgement on the treatment of these issues.

The accounting policies are kept under review and are updated as required.

The accounts are compiled using the historic cost convention.

Accounting Concepts

The following accounting concepts are adopted to ensure that the accounts present fairly:

A) Relevance

The Statement of Accounts provides information about the financial performance and position of the Board that is useful for assessing the stewardship of public funds and for making economic decisions.

B) Reliability

The Statement of Accounts is intended to represent faithfully the financial position and transactions of the Board. This is achieved by complying, in all material respects, with proper accounting practices.

Where there is uncertainty these accounts have been prudently prepared, that is, that a degree of caution has been applied in exercising judgement and making any necessary estimates.

This statement has been prepared to reflect the reality or substance of the transactions and other events that have taken place.

C) Comparability

Consistent policies are applied both within the accounts for the year and between years. Discretionary changes in accounting policy will only be made on the grounds that the new policy is preferable to the one replaced because it will give a fairer presentation of the transactions and the financial position of the Board. The impact of future changes to accounting policies will, where material, be highlighted.

D) Understandability

The accounts require a reasonable knowledge of accounting if they are to be properly understood. However, all reasonable efforts have been made to make the accounts as easy to understand as possible.

E) Materiality

Strict compliance with proper practice is not necessary where the amounts involved are not material to the fair presentation of the financial position of the Board and to the understanding of the Statement of Accounts by a reader. Materiality will depend upon the size and nature of the item in question.

F) Accruals

These financial statements, other than cash flow information, are prepared on an accruals basis. This means that income and expenditure is matched to the services provided during the accounting period.

G) Going Concern

The accounts are prepared on the assumption that the Board will continue in operational existence for the foreseeable future. This means that income and expenditure accounts and balance sheet assume no intention to curtail significantly the scale of operation.

H) Primacy of Legislative Requirements

The Board derives its powers from statute. It is a fundamental principle of accounting that, where specific legislative requirements and accounting principles conflict, legislative requirements will apply.

Accounting Policies**Fixed Assets**

The Board has a policy that only assets with a value of more than £10,000 will be treated as fixed assets in the accounts.

Overheads

Costs of corporate management and administration have not been allocated to the other cost heads within the accounts. The Board has adopted the National Park Authority model for the Income and Expenditure Account to enable comparability.

Grants

Revenue grants and other contributions are accounted for on an accruals basis and recognised in the financial statements when the conditions for their receipt have been complied with and there is a reasonable assurance that the grant or contribution will be received.

Debtors and Creditors

The revenue accounts are prepared on an income and expenditure basis. Provision is therefore made for goods and services supplied to or by the Board, but not paid at 31 March 2014. Debtors and creditors are risk-assessed at the year end and provision made where appropriate.

Partnership/Group Accounts

There were no companies or other organisations for which partnership or group accounts were required.

Capital Financing

The Board finances capital expenditure (grants to outside organisations for projects such as dry stone walling) from revenue within the year and, therefore, does not require a capital financing policy.

Reserves and Provisions

It is the Board's policy to hold reserves sufficient to provide:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- a contingency to cushion the impact of unexpected events or emergencies;

- a means of building up or holding funds, as earmarked reserves, to meet known or predicted liabilities.

The following reserves have been established. The balances on these funds are shown in Note 12 to the Accounts:

General Fund: the working balance of unused funds not earmarked for specific purposes.

National Grid Pipeline Project Fund: contains money received from The National Grid to fund specific projects agreed between The National Grid and the Board.

Caring for the Cotswolds Fund: contains the balance of funds generated as part of the Caring for the Cotswolds Scheme to be used to support future lottery bids and programmes.

Sustainable Development Fund: contains money to fund projects to promote sustainable development in the Cotswolds.

Countryside Fund: contains income generated by the Board's Voluntary Wardens to help fund their activities or other activity which they wish to support.

Voluntary Wardens Fund: contains money held by North and Central Voluntary Wardens to fund social and other activities.

Legacies and Donations Fund: contains money received from donors for use by the Board on the purposes set out by the donor, if indicated.

Asset Acquisition Fund: contains money set aside to provide for replacement of vehicles, IT and equipment.

Management Plan Fund: sets aside money to fund the statutory five-yearly revision of the Management Plan for the Cotswolds Area of Outstanding Natural Beauty.

Rural Skills Fund: contains money to be used to promote and support rural skills in the Cotswolds.

Student Placement Fund: contains money to enable the Board to fund the appointment of a student placement in advance of grant funding agreements.

AONB 50th Anniversary Fund: contains money set aside to fund the celebration of the 50th anniversary of the establishment of the Area of Outstanding Natural Beauty in 2016 and its legacy.

Cotswold Way Fund: the balance of unused funds provided for maintenance of the Cotswold Way National Trail that has not been earmarked for specific Cotswold Way projects.

Cotswold Way Resources Fund: money set aside to safeguard the Board from costs that may arise in the event of further reductions in grant aid support from Natural England.

Accumulated Deficit on Agency Operational Agreement: represents the initial cost of establishing, equipping and staffing the Cotswold Lion Café under the Agency Operational Agreement with the Friends of the Cotswolds. The Agreement provides for recovery of these costs from future profits.

Related Party Transactions (See also Note 6 to the Accounts)

The Board discloses material transactions with related parties – bodies or individuals that have the potential to control or influence the Board, or to be controlled or influenced by the Board. The policy for the purpose of reporting these transactions within the financial statements is that all related party transactions are declared.

The accounting policy of the Board takes into account the fact that all grants are made with proper consideration of declaration of interest.

Retirement Benefits and Pensions (See also Note 5 to the Accounts)

Pension contributions are accounted for within the Income and Expenditure Account on cash payment basis.

Treasury Management Policy

The Board has a treasury management policy to assist with management of cash flows and banking, the effective control of the risks associated with these activities, and the pursuit of optimum performance consistent with these risks.

Surplus funds can be held in a call account or placed on treasury deposit with the Board's bankers or other low risk investment providers.

The Board uses two linked accounts at the same bank, one a current account, earning no interest and the other a call account, earning interest. At the close of business each day, an automatic transfer is made between the two accounts to ensure the current account retains a small balance and the call account retains the larger proportion of the Board's money to maximise interest yield. Both accounts are treated as cash at bank.

Value Added Tax

The Board was not registered for Value Added Tax in 2013/14. VAT has to be paid in full by the Board. Therefore, all figures within the accounts are, where applicable, inclusive of tax.

Income and Expenditure Account for the Year Ended 31 March 2014

2012/13		2013/14		
Total		Expenditure	Income	
£	Expenditure	£	£	£
	Cost of Operations			
108,108	Conservation of Natural Environment	172,372	(19,590)	152,782
192,529	Conservation of Cultural Heritage	93,333	(52,714)	40,619
49,238	Recreation Management & Transport	224,158	(134,301)	89,857
	Promoting Understanding: Information			
128,140	Interpretation and Education	141,402	(21,898)	119,504
61,245	Volunteers	78,772	(18,820)	59,952
19,914	Forward Planning	48,310	(40,000)	8,310
146,580	Corporate Management and Administration	161,341	(4,666)	156,675
705,754	Net Cost of Services	919,688	(291,989)	627,699
0	Agency Operational Agreement (Note 3)	81,555	(31,142)	50,413
	Costs Affecting the Board			
(13,908)	Interest Receivable		(7,760)	(7,760)
691,846	Net Operating Expenditure			670,352
	Income			
(449,845)	DEFRA Contribution		(420,307)	
(154,953)	Local Authority Contributions		(143,479)	
(1,675)	Other		(1,039)	
(606,473)	Total Financing			(564,825)
85,373	(Surplus)/Deficit for the Year			105,527

Statement of Movement on General Fund Balance

2012/13		2013/14
£		£
85,373	(Surplus)/Deficit for the Year	105,527
(109,407)	Net Transfer to/(from) earmarked reserves (Note 12)	(69,498)
0	Net Transfer to/(from) Deferred Debtors (Note 3)	(50,413)
(24,034)	(Increase)/Decrease in General Fund Balance	(14,384)
(209,905)	General Fund Balance as at 31 March 2013	(233,939)
(233,939)	General Fund Balance as at 31 March 2014	(248,323)

Balance Sheet

31 March 2013			31 March 2014	
£		Note	£	£
0	Fixed Assets			0
	Current Assets			
12,847	Debtors/Prepayments	8	42,767	
270,000	Short Term Investments	11	402,750	
0	Stock	3	1,611	
427,472	Bank Balance	9	106,899	
1,200	Petty Cash Balance		1,300	
3,154	Voluntary Warden Balance		4,155	
714,673				559,482
	Current Liabilities			
(194,184)	Creditors	10	(144,519)	(144,519)
520,489	Net Current Assets			414,963
520,489	Total Net Assets			414,963
	Financed by			
233,939	General Fund Balance			248,324
286,550	Other Reserves	12		217,052
0	Less: Accumulated Deficit on Agency Operational Agreement	3		-50,413
520,489	Total Reserves			414,963

Cash Flow Statement

31 March 2013		31 March 2014
£		£
15,503	Net cash outflow/(inflow) from revenue activities	194,483
	Management of Liquid Resources	
(360,000)	Short Term Investments	132,750
	Servicing of Finance	
	Cash inflows:	
(13,908)	Interest received	(7,760)
(358,405)	(Increase)/decrease in Cash	(319,473)

Reconciliation of net cash inflow from revenue activities

85,373	Deficit/(Surplus) on Income and Expenditure Account	105,527
	Adjust for:	
(84,718)	(Increase)/decrease in Creditors	49,665
940	Increase/(decrease) in Debtors	29,920
0	Increase/(decrease) in Stock	1,611
13,908	Investment Interest	7,760
15,503	Net cash outflow/(inflow) from revenue activities	194,483

Net movement in cash year on year

Balance in Hand	1 April 2013	431,826
Less: Balance in Hand	31 March 2014	112,353
Movement		319,473

Notes to the Accounts

1 Income

The Board received income in percentage terms as follows:

	2012/13	2013/14
	%	%
DEFRA	56	51
Natural England	16	12
Local Authorities	17	17
Other	11	20

Natural England continued to fund the Cotswold Way National Trail in 2013/14. The income has been set against expenditure on this activity in the Recreation Management and Transport line in the Income and Expenditure Account.

2 Employee Remuneration

The number of employees whose remuneration in respect of their employment exceeded £50,000 during the year was as follows:

	2012/13	2013/14
£50,000 to £55,000	Nil	Nil
£55,000 to £60,000	Nil	Nil
£60,000 to £65,000	One	One

The Director's remuneration was as follows:

	2012/13	2013/14
Salary, fees and allowances	55,549	56,104
Bonuses	0	0
Expenses allowance	1,294	1,239
Compensation for loss of employment	0	0
Employer's pension contribution	6,499	6,564
Any other emoluments	0	0
Total	63,342	63,907

3 Agency Operational Agreement

Under an Agency Operational Agreement between the Board and the Friends of the Cotswolds (a registered charity), the Board manages the site and the visitor attractions on behalf of the Friends. The Cotswolds Lion Café opened in November 2013. The agreement is not limited by date and provides for the Board to recover set-up costs from future profits. Income and expenditure on the Agency Operational Agreement is shown in the Income and Expenditure Account; and the net deficit on the first year of operation has been treated as an accumulated deficit on the Balance Sheet and is shown as a negative balance in the table of reserves at Note 12 to the Accounts. Stock held in the shop and café is valued at historical cost.

4 Audit Costs

Grant Thornton UK LLP was the Board's external auditor for 2013/14 at a cost of £2,400. (£3,600 2012/13).

5 Retirement Benefits and Pensions

The Board is a member of the Local Government Pension Scheme (LGPS) administered by Gloucestershire County Council (GCC). The Scheme is a defined benefit scheme, meaning that the retirement benefits are determined independently of the investments in the scheme and employers are obliged to make additional contributions where assets are insufficient to meet retirement benefits. The provisions of the LGPS cover present and past employees. This is statutory and should be fully funded on an ongoing funding basis.

Name of Fund: **Gloucestershire County Council Pension Fund**

Name of Fund: **Defined Benefit**

Participating Authority: **Cotswolds Conservation Board**

The Local Government Pension Scheme is administered in accordance with the Local Government Pension Scheme Regulations 1997 (as amended). It is contracted out of the State Second Pension.

Pensions are accounted for within the Income and Expenditure Account on a cash payment basis. The Board made contributions to the fund of 11.7% of salary costs in 2013/14 (11.7% in 2012/13).

Formal Valuation of the Gloucestershire County Council Pension Scheme (GCCPS)

Under the Local Government Pension Scheme Regulations the pension fund is subject to an independent triennial actuarial valuation to determine each employer's contribution rate. A triennial valuation of the Board's sector of the GCCPS fund was carried out as at 31 March 2013 when the actuary valued the fund at £1,623,000, a deficit against expected liabilities of £70,000. The Board's contribution rate to pensions has increased to 19.5% of salary plus a cash payment of £5,000 per annum for the next three years.

The next triennial valuation will be carried out at 31 March 2016 and is due to be reported by the actuary in December 2016.

6 Members Allowances

Board members are paid allowances and reimbursed expenses in accordance with a Members Allowances Scheme reviewed annually and published in the Board's Constitution which can be viewed on the website.

The total amount of allowances and expenses paid to Board members during 2013/14 was £25,770 (2012/13 £26,383). The amount of expenses paid varied according to the duties and activities of individual members, the frequency of meetings attended and the distance travelled. A list of allowances and expenses (excluding conference and training fees) is set out on Page 14.

Table of Members Allowances and Expenses

Name	2012/13		2013/14	
	Allowance £	Expenses £	Allowance £	Expenses £
Acland H A	480	0	480	0
Atack K	140	0	300	0
Banks M	480	0	0	0
Bell A R W	240	0	360	0
Betteridge K	720	159	660	261
Blackwell R T	480	0	120	0
Bleaken H	480	0	480	0
Boon A	480	0	480	297
Burgess J V	260	0	43	0
Burgon J P	960	518	960	49
Charley R L	480	0	480	0
Clark H A J	280	0	480	39
Curwen D N	0	181	0	0
Darby M	0	217	0	152
Dean M R	382	118	360	172
Doyle P	720	178	64	0
Eyre E	1,685	381	1,685	382
Gray S	480	0	480	40
Groom M	0	0	248	21
Hardman A I	480	0	420	0
Hodges E	720	0	720	0
Holliday N	960	609	960	393
Hope S	720	183	720	0
Hunt V	240	0	240	0
Hurst N C	0	0	252	0
Kirby V	0	0	280	0
Lloyd R	960	1,467	960	796
Macalister-Smith E	0	0	300	176
Manley W	680	0	480	0
Mathews C	0	0	303	0
Matthews J	480	0	480	105
McCloskey H	260	0	420	0
Moore S	0	0	0	0
O'Sullivan M	520	0	660	1485
Phillips A	480	0	480	57
Randall S J C	480	144	480	271
Reynolds G	40	30	0	0
Saint C	480	0	480	0
Seale D R	480	0	42	0
Shine C	480	0	420	0
Surgenor L M	120	130	0	0
Thorpe D	3	0	0	0
Topple C	520	82	720	0
Wakeford R	240	0	360	51
Webb J	440	336	0	366
West J	2,405	715	2,405	0
Wilson R	0	0	395	0
Total	20,935	5,448	20,657	5,113

7 Related Party Transactions

The principal issue in determining whether or not a person or an organisation is a related party is the degree of control exerted by one party over the other. This can arise during a financial period where:

- one party has direct or indirect control of the other party;
- one party has influence over the financial and operational policies of the other party; or
- the parties are subject to common control or influence from the same source.

The objective is to identify any transactions that may have taken place as a result of the control or influence exercised by one party over another. The concern is that such transactions may not be, or may not be perceived to be, in the best interests of the Board.

The Board's policy is to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Board, or to be controlled or influenced by the Board.

The Government

The Government has influence over the general operations of the Board. It is responsible for providing the statutory framework within which the Board operates. The Secretary of State appoints fourteen members of the Board under arrangements set out in the Board's Establishment Order. The Government provides a large proportion of the Board's funding in the form of grants channelled through the Department for the Environment, Food and Rural Affairs (DEFRA) and Natural England. Other government departments and agencies also have the ability to fund the Board's work directly.

DEFRA is responsible for determining the general level of Government funding that the Board receives by approving and agreeing to support the Board's Annual Business Plan (£460,307 for 2013/14, £489,845 for 2012/13).

Natural England

Natural England determined the general level of Government funding that the Board receives to support the Cotswold Way National Trail by approving and agreeing to support the Cotswold Way National Trail Business Plan. (£108,143 for 2013/14, £135,804 for 2012/13)

Local Authorities

The fifteen local authorities covered by the Cotswolds area each appoint a Board member under the terms of the Board's Establishment Order. The local authorities provide a significant source of income to the Board. The details are listed on page 16.

Parish Councils, Town Councils and Parish Meetings

Parish Councils, Town Councils and Parish Meetings appoint eight members of the Board in accordance with the arrangements set out in the Establishment Order and provided direct grant support to the Board of £750 in 2013/14 (Nil 2012/13).

Table of Local Authority Contributions

	2012/13	2013/14
	£	£
South Gloucestershire Council	8,280	8,280
Bath & North East Somerset Council	6,256	9,256*
Gloucestershire County Council	30,000	22,000
Cotswold District Council	25,667	21,286
Cheltenham Borough Council	3,774	3,774
Stroud District Council	10,746	10,746
Tewkesbury Borough Council	5,227	5,227
Worcestershire County Council	5,132	5,132
Wychavon District Council	5,082	5,082
Oxfordshire County Council	12,044	12,044
Cherwell District Council	500	500
West Oxfordshire District Council	10,300	10,300
Warwickshire County Council	6,622	6,622
Stratford-on-Avon District Council	7,585	7,585
Wiltshire Council	17,738	16,870
Total	154,953	141,704

*Includes £3,000 support to the Bath Landscape Project.

Members & Officers

The Board approved Codes of Conduct for members and officers as part of its Constitution. The Codes include requirements to disclose and record interests where they may have, or appear to have, an influence on the decisions of the Board. The Codes have been circulated to members and officers. The Board's procedural rules impose quorums on meetings to ensure decisions are not taken in isolation and require members to disclose interests at each meeting before the matter in which they have an interest is discussed. A public register of these interests is maintained by the Board's Monitoring Officer.

In addition to the above, Board members and officers have been invited to sign and return related party transaction declaration forms. Two Board members, one member of staff and one contractor have declared related party transactions to which a value could be attached, as follows.

Related Party	Transaction Value
	£
P Burgon	170
Nutrisys	85
Friends of the Cotswolds	5,645
Talbot Audit & Review Services Ltd	40,478

Board members may declare an interest in any item on the agenda of meetings of the Board, the Executive Committee and Sub-Committees and procedural rules determine what action should be taken. Declarations of interest at meetings in 2013/14 are not material to these accounts.

8 Debtors and Prepayments

Debtors	2012/13	2013/14
	£	£
Natural England	0	23,393
Miscellaneous	12,847	19,374
	12,847	42,767

A review of debtors was carried out and the Board expects to receive all debts in full. Therefore, a provision for bad and doubtful debts is not required (see Note 14).

9 Cash

	2012/13	2013/14
	£	£
Petty Cash	1,200	1,300
Voluntary Warden Balances	3,154	4,155
Bank Balances	428,180	109,836
Less cheques to be presented as at 31st March	(708)	(2,938)
Balance in Hand	431,826	112,353

10 Creditors

	2012/13	2013/14
	£	£
Local Authorities & Other Public Bodies	132,063	90,634
Sustainable Development Fund & Climate Change	4,136	17,295
Miscellaneous	57,985	36,590
Total	194,184	144,519

A review of creditors was carried out and the Board has sufficient funds to pay all accounts when due (See Note 14).

11 Short Term Investments

At the year end, the Board held one short term investment of £402,750 on term deposit with Clydesdale Bank. This was invested on 2 August 2013 at 1.2%, and will mature on 4 August 2014.

12 Reserves

Fund	Opening Balance 1 April 2013	Expenditure and Transfers to Other Reserves	Income or Transfer from Other Reserves	Carried Forward 31 March 2014
General	233,939	651,095	665,479	248,324
National Grid Pipeline Project	62,039	50,529	0	11,510
Countryside	22,498	4,185	15,768	34,081
Voluntary Wardens	3,154	2,052	3,053	4,155
Caring for the Cotswolds	18,814	0	0	18,814
Legacies and Donations	2,135	0	0	2,135
Asset Acquisition	16,838	0	0	16,838
Sustainable Development	57,840	50,042	40,000	47,798
Rural Skills	26,983	48,310	31,812	10,485
Student Placement	15,000	0	0	15,000
Management Plan	11,559	5,310	0	6,249
AONB 50 th Anniversary	20,000	0	0	20,000
Cotswold Way	14,690	108,165	108,462	14,987
Cotswold Way Resource	15,000	0	0	15,000
Accumulated Deficit on Agency Operational Agreement	0	81,555	31,142	-50,413
Total	520,489	1,001,243	895,717	414,963

A description of the purposes of each fund is set out in the Statement of Accounting Policies on Page 6.

The total movement on all reserves is £105,527 (2012/13 £85,373)

Movement on Earmarked Reserves in the year was £69,498 (2012/13 £109,334).

Movement on Accumulated Deficit in the year was £50,413 (2012/13 Nil)

Movement on General Fund in the year was £14,384 (2012/13 £24,034)

The Finance Officer considers general fund and earmarked reserves to be adequate to the efficient operation of the Board.

13 Post Balance Sheet Events

There are no post balance sheet events.

14 Disclosure of nature and extent of risks arising from financial instruments

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

- credit risk – the possibility that other parties might fail to pay amounts due to the Board
- liquidity risk – the possibility that the Board might not have funds available to meet its commitments to make payments

- market risk – the possibility that financial loss might arise for the Board as a result of changes in such measures as interest rates

The Board's overall risk management programme seeks to minimise potential adverse effects on the resources available to fund services.

Credit risk

Credit risk arises from deposits with banks, as well as credit exposures to the Board's customers. Deposits are not made with banks and financial institutions unless they are rated independently within a score of AAA.

The Board does not have significant customers. Income is derived from grant contribution from DEFRA, Natural England, local authorities and other grant providers. Risk to this funding is controlled through the funding agreements.

The Board does not expect any losses from non-performance by any of its counterparties in relation to deposits.

Liquidity risk

The Board is debt free. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

Market risk

Changes in interest receivable on variable rate investments will be posted to the Income and Expenditure Account and affect the General Fund Balance.

The Board has no investments in equity shares and is therefore not exposed to losses arising from movements in the prices of shares.

The Board has no financial assets or liabilities denominated in foreign currencies and has no exposure to loss arising from movement in exchange rates.