

Report to: Audit & Governance Committee Meeting 24 April 2024

Director or Business Manager Lead: Nick Wilson, Business Manager Financial Services

Lead Officer: Andrew Snape, Assistant Business Manager Financial Services, ext 5523

Report Summary	
Report Title	STATEMENT OF ACCOUNTING POLICIES 2023/2024
Purpose of Report	<i>To provide Members with updates made to the Council's accounting policies in relation to the closedown of the 2023/2024 financial year.</i>
Recommendations	<i>Members approve the amended Statement of Accounting Policies for 2023/2024.</i>

1.0 Background

1.1 Prior to the completion of the Statement of Accounts for 2023/2024 it is important that Members are given the opportunity to discuss and comment on the accounting policies to be used in the production of the financial statements. These policies will be applied to the treatment of all transactions that make up the figures in the Statement of Accounts to ensure the accounts present a true and fair view of the financial position of the Council as at 31 March 2024.

1.2 The 2023/2024 Statement of Accounts will be prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2023/2024 (the Code) which is based on International Financial Reporting Standards (IFRS).

2.0 Updates to the Statement of Accounting Policies

2.1 The relevant key accounting changes in the 2023/2024 Code include:

- *Confirmation in Module 1 Appendix B of the New or Amended Standards introduced in the 2023/24 Code.*
- *Updates to the methodology in Module 2, Section G for calculating year-end apportionment of NDR and council tax surpluses following the end of exceptional deficit 'spreading' provisions (SI 2020/1202), and for calculating year-end Balance*

Sheet apportionments for council tax related balances in areas subject to local government reorganisation.

- *Amendments to Module 3 in relation to IAS 8, to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.*
- *Amendments to Module 4 relating to the provision of temporary relief so that local authorities are not required to report the gross book value and accumulated depreciation for infrastructure assets. Where a local authority chooses to apply this temporary relief, the Code requires that additional information is provided to explain an authority's rationale for this decision.*
- *A new table within Module 4 providing a summary of the various prescriptions over time in local government financial reporting for infrastructure assets.*
- *The inclusion in Module 6 of the impact of IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.*

2.2 The relevant key changes listed at 2.1 do not impact on the Councils accounting policies. A complete set of the Accounting Policies for 2023/2024 are attached at **Appendix A**. Please note this is a full set of accounting policies however those marked with an * in their title will not be included within the Councils Statement of Accounts, under IAS1 presentation of financial statements, due to their materiality.

Background Papers and Published Documents

Code of practice on local authority accounting in the United Kingdom – Guidance notes for practitioners 2023/24 accounts