



Report to: Audit & Governance Committee Meeting 16 April 2025

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 2024/2025
Purpose of Report	<i>To provide Members with updates made to the Council's accounting policies in relation to the closedown of the 2024/2025 financial year.</i>
Recommendations	<i>Members approve the amended Statement of Accounting Policies for 2024/2025.</i>

1.0 Background

1.1 Prior to the completion of the Statement of Accounts for 2024/2025 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 2025.

1.2 The 2024/2025 Statement of Accounts will be prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/2025 (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 2024/2025 Code include:

- *Confirmation in Module 1 Appendix B of the New or Amended Standards introduced in the 2024/25 Code.*
- *Updates are included within Modules 2, 3, 4 and 9 for the mandatory implementation of IFRS 16 Leases. Detailed information in Module 4 follows previous guidance*

produced by CIPFA during transitional arrangements. IFRS 16 is mandatory from 2024/25 and therefore all guidance has been updated to reflect this.

- *Module 3 has been updated to reflect the requirement within the narrative report to include consideration of Section 114.*
- *Legislation changes for Dedicated Schools Grant have been updated in Module 3.*
- *The example financial statements in Section A of Module 3 have been updated to include relevant transactions for group accounts. The notes to the accounts have been updated for IFRS 16 and heritage assets presentation.*
- *Module 6 includes a new flow chart for determining the asset ceiling.*
- *Module 8 has been updated to reflect the latest equal pay legislation in Scotland.*

- 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 2024/2025 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 2024/25 accounts